

# HOUSE OF REPRESENTATIVES—Monday, August 2, 1993

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, we give thanks for all Your blessings and specially, this day, we give thanks for the life and witness of our friend and colleague, PAUL HENRY. We are grateful that You raise up people of good will to dedicate their lives to service as teachers or as leaders in government and to serve people whatever their need. We are grateful for the dedication of Your servant PAUL and his commitment to the welfare of others. We know that he was raised as Your child, O God, and was nurtured by Your grace for service in Your kingdom. May Your benediction that is new every morning, be with his family and all who mourn this day and forevermore. In Your name, we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair recognizes the gentleman from North Carolina [Mr. BALLENGER] to lead us in the Pledge of Allegiance.

Mr. BALLENGER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 557. An act to combat telemarketing fraud;

S. 1273. An act to enhance the availability of credit in disaster areas by reducing the regulatory burden imposed upon insured depository institutions to the extent such action is consistent with the safety and soundness of the institutions; and

S. 1274. An act to reduce the subsidy cost for the Guaranteed Business Loan Program of the Small Business Administration, and for other purposes.

The message also announced that pursuant to Public Law 102-392, the

Chair, on behalf of the Republican leader, announces his appointment of Mr. HATFIELD, to the Commission of the Bicentennial of the U.S. Capitol.

The message also announced that pursuant to Public Law 102-393, the Chair, on behalf of the majority leader, after consultation with the chairman of the Finance Committee, appoints Patricia M. Owens of New York and Robert J. Myers of Maryland, as members of the Commission on the Social Security "notch" issue.

## PASSING OF THE HONORABLE PAUL B. HENRY, REPRESENTATIVE FROM MICHIGAN

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MICHEL. Mr. Speaker, I will shortly be offering a resolution with respect to our departed friend, PAUL HENRY. May I simply, in the Chaplain's presence, thank him for the subject of his prayer as we began today's session.

## SUPPORT MIDDLE EAST PEACE PROCESS

(Mr. HASTINGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HASTINGS. Mr. Speaker, I would like to express my concern with the recent spate of violent activity on the Israel-Lebanon border. While I am heartened with the current détente, I am concerned that any more activity will forge a new class of Lebanese refugees and yet another generation of Israelis who have reason to fear for their safety.

Those of us who are interested in finding a meaningful and lasting peace for the region must encourage Arab regimes to stop Hezbollah from using violence against Israel as a way to derail the Middle East peace process. We must impress upon the Government of Lebanon the need to oust the Hezbollah stronghold in the south.

We cannot let extremist regimes control the peace process through their terrorist puppets. We cannot let the recent successes be forgotten—when you get back to your office call the Ambassadors of the Middle East nations and encourage their governments to support the Middle East peace process. Many lives depend on it.

## REBUKE EPA'S TOBACCO PSEUDO-SCIENCE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the Environmental Protection Agency [EPA] has gone too far. Administrator Carol Browner, while testifying before the House Energy and Commerce Subcommittee on Health and the Environment, defended the EPA's controversial study on the second-hand effects on using legal tobacco products.

Ms. Browner stated that the EPA is officially recommending that American citizens refrain from smoking cigarettes, even in the privacy of their own homes. This comment provides even more evidence that the clear intent of the Clinton administration is to control every aspect of American life. Tobacco is a legal product in this country. Adults are capable of making their own decisions with regard to purchasing cigarettes or any other lawful commodity.

It seems Ms. Browner and the EPA bureaucrats could better spend their time researching improved ways to eliminating pollution from the air, rivers, streams, and lakes rather than pushing lifestyle regulations to control personal behavior.

Mr. Speaker, let us end this unscientific attack on the tobacco industry. EPA will lose its credibility if it continues to engage in manipulation of scientific data to achieve politically correct results.

## DEMJANJUK CITIZENSHIP SHOULD BE PROPERLY REVIEWED

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, the saga of John Demjanjuk, convicted as Ivan the Terrible, continues up and down, like a puppet on a string. And it is not Israel's fault. God bless Israel and the freedom that came out in that tough decision.

But the truth is, our Government, the Justice Department, withheld critical evidence. Marchenko is Ivan the Terrible, not Demjanjuk.

Second of all, did Demjanjuk lie on his immigration papers to conceal he was a Nazi war criminal? And, if so, he should never come back.

But, Mr. Speaker, if he lied because of his Soviet identity, to be repatriated

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

under the terms of the Yalta agreement, stood in front of a firing squad by Stalin, that is a different matter.

I will be submitting a sense of the Congress resolution that basically says Congress supports that an appropriate court of jurisdiction review the matter of this man's citizenship. If he is a war criminal, I do not support him. But if he is not, Mr. Speaker, Congress, the bastion of freedom of last resort, should finally show some backbone. I am asking for your help.

#### CLINTON MUST SHOW LEADERSHIP IN BOSNIAN CRISIS

(Mr. ROTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROTH. Mr. Speaker, it is inconceivable to me, and I hope to all rational thinking people, the alacrity with which the Clinton administration is marching us into the nightmare in Bosnia.

No thought given to the consequences.

No thought given to how we will extricate ourselves once we are embroiled.

No plan, no forethought, their only mission being to get the United States involved.

They have no sense of history.

They are the same group of heroes who in the 1960's—when America was involved in another war—ran off to foreign countries to demonstrate and organize demonstrations against our troops and our country.

If Clinton sends Americans into Bosnia, he must lead them not send them.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MONTGOMERY). The Chair welcomes our guests in the gallery, but they are not to participate through applause in the debate on the floor.

#### VISA PROCESSING PROCEDURE MUST BE REVISED

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, the current system for processing visas is badly in need of repair. Chairman HAMILTON of the Committee on Foreign Affairs and my Committee on Intelligence have been looking at that. The circumstances surrounding the issuance of U.S. visas to the sheik and others require an immediate revision on the way we permit entry into this country.

Mr. Speaker, the gentleman from Indiana [Mr. HAMILTON] and I have writ-

ten a letter to Secretary Christopher. We are trying to get the Secretary to do some things immediately that do not take legislative action.

No. 1, we need a legal interpretation of existing immigration law to go to all embassies and consulates, telling them what is and what is not required with respect to entering this country. Right now they are making that decision ad hoc. They do not know what is required out there, and other sheiks could be entering this country without a clear determination.

In addition, we need to upgrade the hardware and software associated with the consular lookout and support system. We need to assign more experienced officers to Embassies and consulates, particularly in areas of the world that are potentially hot spots for trouble makers.

Mr. Speaker, I urge the Secretary of State in the strongest possible terms to take the action now that he should be doing to make sure terrorists are not permitted entry into this country.

□ 1210

#### THE TAXPAYER'S WATCHDOG

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, certain Members of the Democratic majority have accused Republicans of being attack dogs for opposing the President's world class tax plan.

I guess you would have to add Senator DAVID BOREN to that list of attack dogs.

BOREN and Republicans oppose the President's plan, not because we are attack dogs, but because we are watchdogs.

We are the taxpayer's watchdogs. We speak out to making certain that the taxpayer is not blindsided by another huge tax increase.

We bark loud when we see that the President wants to pass the largest tax increase in history.

And we cry out in disdain when we see the President promising spending cuts, but giving us spending increases in reality.

Mr. Speaker, the middle-class taxpayers want more watchdogs who will look after their interests here in Washington. The last thing they want is a lapdog, who is content voting for the largest tax increase in history.

#### SHAME ON UNITED AIR LINES

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, last Saturday the friendly skies of United Air Lines were not so

friendly to Rick Douglas, who is the Executive Director of the President's Committee on Employment of People With Disabilities.

Mr. Douglas, on his way to a conference, had to drag himself up five stairs into the air lines run by United Air Lines to get to that conference, because no employee would help him out of his wheelchair into the airliner and into his seat.

When the airliner arrived at its destination, Mr. Douglas, after all passengers disembarked, had to get himself out of his seat, dragging himself back down the stairs onto the tarmac and finally into the wheelchair. As his wife said, as she watched him, "To watch him do this made me cry."

United Air Lines should be ashamed of itself. It owes Mr. Douglas a very serious apology, and the FAA owes United Air Lines a very serious investigation of this matter. They owe it to Mr. Douglas and to all disabled people in the United States.

#### DOUBLESPEAK

(Mr. LINDER asked and was given permission to address the House for 1 minute.)

Mr. LINDER. Mr. Speaker, I have seen the future, and it is now. George Orwell, your time has come, 9 years later. Doublespeak is here. Good is bad. Up is down. Cuts are increases. Change is the status quo.

The Clinton administration has decided to abandon the facts of its plan in favor of body language. Look at the document it has put out in order to promote its tax increase.

"Hallelujah! Change is coming." I quote from this document:

Anytime you're asked about a specific in the economic plan, look for ways to bring it back to the general points that this is good for the country, and this is real change \* \* \* Never forget that the optimism, energy, enthusiasm you project is vital \* \* \* Your body language, attitude and confidence will be infectious. If you become a merchant of pain, you'll find that the middle class isn't buying \* \* \*

Well, Mr. Speaker, the middle class is not buying. The administration is a merchant of death to many small businesses that create the bulk of the jobs.

Bad is bad, down is down, and increased spending and taxes are just that. No manner of body language can stop the truth.

#### TONE DOWN THE DIALOG

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, this weekend, I was called a witch, a snake, and a wicked woman by none other than Randall Terry, who was visiting Denver, CO, in preparation for the papal visit.

He addressed hundreds of people and told them that they had to get very tough and stop being fraidy cats.

I really hope Members in this body start trying to chill out this kind of dialog. We have been very concerned about papal security while he visits in Denver. But I guess we better start getting concerned about personal security also, because it seems that people no longer want to just engage in debate. They want to make threats, and they want to encourage people to do much more than that.

I find this absolutely appalling, and it only shows the level of violence to which this country has risen. I think it is incumbent upon this body that believes in debate and free speech and the meeting of ideas to call upon people such as Randall Terry to change the tone of this dialog.

#### IN OPPOSITION TO THE DEFICIT REDUCTION BILL

(Mr. LAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAZIO. Mr. Speaker, I congratulate my colleagues on the other side of the aisle for apparently agreeing on a deficit reduction bill. I know this was difficult and I know the hard part—passing this legislation without the vote of a single Republican—is before them.

I speak only for this Member, but the principal reason for withholding my vote is only partly because I was completely excluded from the process. Rather, my objection is that I find too many of the provisions highly objectionable and, because of my exclusion, I had no chance to even nudge the legislation in my direction.

One of my major objections to this legislation is that it does not go as far as is being claimed by its supporters. This agreement is being falsely advertised as cutting the deficit \$490 to \$500 billion when the actual savings are at least \$44 billion less.

Some \$36 billion in savings from cuts in discretionary spending for fiscal years 1994 and 1995 are being claimed as part of this year's budget package, even though they will be the direct and independent result of statutory provisions in the 1990 legislation. Adding interest savings brings this double counting to \$44 billion.

Mr. Speaker, it is true that President Bush renounced his role in the Budget Enforcement Act of 1990, but that does not give President Clinton and congressional Democrats the right to claim savings achieved in that agreement as part of this year's deficit reduction package.

#### JOINT REFERRAL OF H.R. 2800 TO COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY AND COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. CLAY. Mr. Speaker, I ask unanimous consent that the bill (H.R. 2800), to promote and support management reorganization of the National Aeronautics and Space Administration, be rereferred jointly to the Committee on Science, Space, and Technology and the Committee on Post Office and Civil Service.

The SPEAKER pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### FREEDOM LOST

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH. Madam Speaker, when I looked at the Capitol dome this morning on my way into the Capitol, I couldn't help but see a bit of irony. The statue of freedom has been lifted from the Capitol dome. I thought Congress has lost part of its freedom to decide how to spend its tax revenues.

The discretionary portion of the Federal budget is disappearing because of burgeoning interest payments. Automatic interest payments on the public debt is \$295 billion this year. That is roughly 60 percent of all the personal income tax revenues!

Most alarming is that there is no end in sight. Under the budget that is being pushed through this body the public debt will go from \$4.3 trillion to \$6.2 trillion by 1998 and interest payments could be cost to \$450 billion a year.

It seems to me this is madness.

We must show some spending restraint now, before it is too late. Next time you look up at the Capitol dome, remember that as we repair statue of Freedom, let us resolve to limit the size of big Government spending and the growth of our public debt that take away our freedoms as individuals and as a society. We have to cut spending and get the budget deficit under control.

#### THE LATE HON. PAUL B. HENRY, A REPRESENTATIVE FROM MICHIGAN

Mr. DINGELL. Madam Speaker, I offer a privileged resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

#### H. RES. 232

*Resolved*, That the House has heard with profound sorrow of the death of the Honorable Paul B. Henry, a Representative from the State of Michigan.

*Resolved*, That a committee of such Members of the House as the Speaker may designate, together with such Members of the Senate as may be joined, be appointed to attend the funeral.

*Resolved*, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

*Resolved*, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

*Resolved*, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. DINGELL] is recognized for 1 hour.

#### GENERAL LEAVE

Mr. DINGELL. Madam Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I announce with great sadness the death of the Honorable PAUL B. HENRY, a Representative of the Congress from the State of Michigan.

□ 1220

The gentleman from Michigan [Mr. HENRY] has served with great distinction here. He was respected by his colleagues as a man of courage, decency, and respect. He was a likable man, a family man, was very much loved by his family and by his constituents. His colleagues in the Congress on both sides of the aisle, and especially those of us who served with him from Michigan, had a particular fondness and respect for him because of his decency and because of the dedication with which he served his people and his State.

Madam Speaker, he died after a long and severe illness which he fought with great courage and with great dignity. All of us who knew him and loved him will be praying that the good Lord will receive him graciously, and although we are sad that he has left us, we rejoice that he will no longer suffer the great pain which he had known for so long while we contended with this serious, difficult, and debilitating illness.

Madam Speaker, I ask unanimous consent that my dear friend, the gentleman from Michigan [Mr. UPTON], be permitted to control the balance of the time which has been yielded to me.

The SPEAKER pro tempore (Mrs. SCHROEDER). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. UPTON. Madam Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. MICHEL], the Republican leader.

Mr. MICHEL. Madam Speaker, PAUL HENRY was first elected to this House in 1984, and was really one of the great men of this House in the limited time in which he lived to serve. An evangelical Christian, a former Peace Corps volunteer, and a level-headed intellectual, PAUL exemplified the word "integrity." His dignified bearing, his thoughtfulness, and his willingness to listen improved this House. His life should serve as a model to all who follow him.

PAUL HENRY was a good man, a great American, and a shining credit to this institution. He is certainly going to be sorely missed. I offer my deepest regrets to PAUL's wife, Karen Anne, and their three children. It will be my sad obligation and responsibility at his funeral tomorrow to deliver one of the eulogies, so I will defer at this juncture, with the hope that even with this busy week we will have an opportunity for special orders possibly Wednesday evening, after all business of the House has been disposed of, so that all Members might participate in a special order.

Madam Speaker, I ask unanimous consent to include with my remarks today the editorial obituaries of the New York Times from Sunday and the Washington Post for PAUL HENRY.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[From the Washington Post, Aug. 1, 1993]

#### MICHIGAN REPRESENTATIVE PAUL B. HENRY DIES

GRAND RAPIDS, MI—Paul B. Henry, 51, a Michigan Republican who had served in the House of Representatives since 1985 and whose hard work and moderate views made him a rising star in his party, died of cancer July 31 at his home in Grand Rapids Township.

In October, he had been found to have glioblastoma multiforme, a type of brain cancer, after complaining of headaches while campaigning for his fifth term. On Oct. 21, surgeons removed most of a three-inch malignant tumor from the right frontal lobe of his brain. The popular politician easily won reelection two weeks later. Thousands of letters of support flooded his home and offices. Since late spring, Mr. Henry had been mostly bedridden at his Michigan home.

First elected to Congress in 1984, he had won by increasing margins in each of his runs for Congress.

In 1990, he was named one of 11 "rising stars" by the National Journal magazine. He was said to be a strong contender for the 1994 race against Sen. Donald W. Riegle Jr. (D-Mich).

Mr. Henry's 3rd District, in western Lower Michigan, included Grand Rapids and surrounding Kent County, as well as neighboring Barry and Ionia counties.

Mr. Henry, a Chicago native, was a 1963 graduate of Wheaton College in Illinois. He served with the Peace Corps in Ethiopia and

Liberia for two years before receiving a master's degree and doctorate from Duke University.

He taught political science at Duke in 1969 and at Calvin College in Grand Rapids from 1970 to 1978 before being elected to the Michigan legislature in 1979. He served in the state House from 1979 to 1982, and in the state Senate in 1983 and 1984. He also had served on the Michigan State Board of Education from 1975 to 1978.

He was elected to the seat in the U.S. House of Representatives that once was held by Gerald Ford.

Mr. Henry served on the House committees on education and labor and on science, space and technology, and on the Select Committee on Aging.

Survivors include his wife, the former Karen Anne Borthistle, of Grand Rapids Township; and three children.

[From the New York Times, Aug. 1, 1993]

#### REPRESENTATIVE PAUL B. HENRY, 51, DIES AFTER BATTLING BRAIN CANCER

GRAND RAPIDS, MI, July 31—Representative Paul B. Henry, whose hard work and moderate views made him a rising star in the national Republican Party, died Saturday at his home here. He was 51.

Mr. Henry died of brain cancer, which was diagnosed in October after he complained of headaches while campaigning for his fifth term, according to a statement released by his office.

On Oct. 21, doctors removed most of a 3-inch malignant tumor from the right frontal lobe of Mr. Henry's brain. Despite the surgery and prognosis, he easily won re-election two weeks later. Thousands of letters of support flooded his home and offices.

While Mr. Henry's doctors initially expressed optimism, cancer experts said patients with his type of cancer, glioblastoma multiforme, survived an average of about a year, and fewer than 5 percent survived five years.

#### Increasing Margins of Victory

In the months after the surgery, Mr. Henry, his family and staff members tried to remain upbeat and did not address the possibility of his resignation. But by late spring, he was mostly bedridden, and by mid-summer, his staff said that he could no longer communicate and that they were not sure if he recognized friends.

First elected to Congress in 1984, Mr. Henry earned increasing margins of victory in each election.

In 1990, he was named one of the 11 "rising stars" by the National Journal. He was said to be a strong contender for the 1994 race against Senator Donald W. Riegle, Jr., a Democrat.

The district Mr. Henry represented is in western lower Michigan and included Grand Rapids.

#### Taught Political Science

A Chicago native, Mr. Henry graduated from Wheaton College in Illinois and then served with the Peace Corps in Ethiopia and Liberia for two years before earning a master's degree and doctorate from Duke University.

He taught political science at Duke in 1969 and at Calvin College from 1970 to 1978 before being elected to the Michigan Legislature in 1979. He served in the state House from 1979 to 1982, and in the state Senate in 1983 and 1984.

He was elected to Congress in 1984, to the seat once held by former President Gerald R. Ford.

Mr. Henry served on the House Committees on Education and Labor and Science, Space, and Technology, as well as the Select Committee on Aging. Shortly after the cancer was diagnosed, he failed in an effort to win a seat on the House Ways and Means Committee.

He was survived by his wife, Karen, and his three children, Kara, Jordan and Megan.

Mr. UPTON. Madam Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. SMITH]. Mr. SMITH of Michigan. Madam Speaker, I thank the gentleman for yielding to me.

PAUL HENRY was a great American. All that knew him are saddened by his death. Bonnie's and my prayers go to his wife, Karen, and their family.

PAUL and I were both first elected to the Michigan Legislature in 1978. Our careers were somewhat parallel entering the Michigan Senate in 1982. We were seatmates and our offices were next to each other. We had many discussions and I respected his careful deliberations on issues and determination to do good. I looked forward to serving with PAUL in Congress.

PAUL was a leader in his efforts to improve education in Michigan and the Nation. In January, I became a member of the Science, Space, and Technology Committee where PAUL also served. His work on that committee and on the Education and Labor Committee has been very much respected by his colleagues.

His and Karen's support of their community and their religious values have been a wonderful example to all who know them. Congressman PAUL HENRY's contributions to his community and to the country will be missed. His influence to improve public policy at the State and Federal level will live on.

I join with other Members of Congress in supporting this resolution honoring a great man Congressman PAUL HENRY.

Mr. UPTON. Madam Speaker, I join with the dean of our Michigan delegation, obviously, in very strong support of this resolution. PAUL HENRY was a very special friend to all in this House. Members and staff alike. For me he was a mentor, he was a trusted friend, and our prayers are extended to Karen Anne, Kara, Jordan, and Megan.

He represented his district, our State, and our Nation so well. He had so many successes on this floor. He was widely respected by both sides of the aisle, and I know that on Wednesday night when we have our special orders in honor of PAUL, that many Members will take this floor to laud his many achievements, both personal as well as legislative.

Madam Speaker, I yield back the balance of my time in support of this resolution.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

# VETERANS' COMPENSATION RATES CODIFICATION ACT OF 1993

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 798) to amend title 38, United States Code, to codify the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans as such rates took effect on December 1, 1992, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

## SECTION 1. DISABILITY COMPENSATION.

Section 1114 of title 38, United States Code, is amended—

(1) by striking out "\$83" in subsection (a) and inserting in lieu thereof "\$85";

(2) by striking out "\$157" in subsection (b) and inserting in lieu thereof "\$162";

(3) by striking out "\$240" in subsection (c) and inserting in lieu thereof "\$247";

(4) by striking out "\$342" in subsection (d) and inserting in lieu thereof "\$352";

(5) by striking out "\$487" in subsection (e) and inserting in lieu thereof "\$502";

(6) by striking out "\$614" in subsection (f) and inserting in lieu thereof "\$632";

(7) by striking out "\$776" in subsection (g) and inserting in lieu thereof "\$799";

(8) by striking out "\$897" in subsection (h) and inserting in lieu thereof "\$924";

(9) by striking out "\$1,010" in subsection (i) and inserting in lieu thereof "\$1,040";

(10) by striking out "\$1,680" in subsection (j) and inserting in lieu thereof "\$1,730";

(11) by striking out "\$2,089", "\$68", and "\$2,927" in subsection (k) and inserting in lieu thereof "\$2,152", "\$70", and "\$3,015", respectively;

(12) by striking out "\$2,089" in subsection (l) and inserting in lieu thereof "\$2,152";

(13) by striking out "\$2,302" in subsection (m) and inserting in lieu thereof "\$2,371";

(14) by striking out "\$2,619" in subsection (n) and inserting in lieu thereof "\$2,698";

(15) by striking out "\$2,927" each place it appears in subsections (o) and (p) and inserting in lieu thereof "\$3,015";

(16) by striking out "\$1,257" and "\$1,872" in subsection (r) and inserting in lieu thereof "\$1,295" and "\$1,928", respectively; and

(17) by striking out "\$1,879" in subsection (s) and inserting in lieu thereof "\$1,935".

SEC. 2. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) of title 38, United States Code, is amended—

(1) by striking out "\$100" in subparagraph (A) and inserting in lieu thereof "\$103";

(2) by striking out "\$169" and "\$52" in subparagraph (B) and inserting in lieu thereof "\$174" and "\$54", respectively;

(3) by striking out "\$69" and "\$52" in subparagraph (C) and inserting in lieu thereof "\$71" and "\$54", respectively;

(4) by striking out "\$80" in subparagraph (D) and inserting in lieu thereof "\$82";

(5) by striking out "\$185" in subparagraph (E) and inserting in lieu thereof "\$191"; and

(6) by striking out "\$155" in subparagraph (F) and inserting in lieu thereof "\$160".

## SEC. 3. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 of title 38, United States Code, is amended by striking out "\$452" and inserting in lieu thereof "\$466."

## SEC. 4. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

Section 1311 of title 38, United States Code, is amended—

(1) by striking out the table in subsection (a)(3) and inserting in lieu thereof the following:

"Pay grade	Monthly rate	Pay grade	Monthly rate
E-1 .....	\$634	W-4 .....	\$911
E-2 .....	654	O-1 .....	803
E-3 .....	672	O-2 .....	829
E-4 .....	714	O-3 .....	888
E-5 .....	732	O-4 .....	939
E-6 .....	749	O-5 .....	1,035
E-7 .....	785	O-6 .....	1,168
E-8 .....	829	O-7 .....	1,262
E-9 .....	866	O-8 .....	1,383
W-1 .....	803	O-9 .....	1,483
W-2 .....	835	O-10 .....	1,627
W-3 .....	860		

"If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be \$934."

"If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be \$1,744."

(2) by striking out "\$185" in subsection (c) and inserting in lieu thereof "\$191"; and

(3) by striking out "\$90" in subsection (d) and inserting in lieu thereof "\$93".

## SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) of title 38, United States Code, is amended—

(1) by striking out "\$310" in paragraph (1) and inserting in lieu thereof "\$319";

(2) by striking out "\$447" in paragraph (2) and inserting in lieu thereof "\$460";

(3) by striking out "\$578" in paragraph (3) and inserting in lieu thereof "\$595"; and

(4) by striking out "\$578" and "\$114" in paragraph (4) and inserting in lieu thereof "\$595" and "\$117", respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 of such title is amended—

(1) by striking out "\$185" in subsection (a) and inserting in lieu thereof "\$191";

(2) by striking out "\$310" in subsection (b) and inserting in lieu thereof "\$319"; and

(3) by striking out "\$157" in subsection (c) and inserting in lieu thereof "\$162".

## SEC. 6. TECHNICAL CORRECTION RELATING TO THE FINANCING OF DISCOUNT POINTS.

Section 3703(c)(4)(B) of title 38, United States Code, is amended in the second sentence by striking out "Discount" and inserting in lieu thereof "Except in the case of a loan for the purpose specified in section 3710(a)(8), 3710(b)(7), or 3712(a)(1)(F) of this title, discount".

## SEC. 7. RATE ADJUSTMENTS FOR ADJUSTABLE RATE MORTGAGES.

Section 3707(b)(2) of title 38, United States Code, is amended by striking out "on the anniversary of the date on which the loan was closed".

Mr. MONTGOMERY (during the reading). Madam Speaker, I ask unanimous

consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

Mr. STUMP. Madam Speaker, reserving the right to object, and I shall not object, I yield to the chairman of the committee for a brief explanation.

Mr. MONTGOMERY. Madam Speaker, will the gentleman yield?

Mr. STUMP. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Madam Speaker, on April 27, H.R. 798 passed the House. It would codify the increased compensation and DIC rates enacted late last year. The other body has added two technical housing amendments. No other changes were made to the bill which passed the House.

Madam Speaker, I would hope we could get full support on ratifying the codifying of the compensation for our veterans.

Mr. SLATTERY. Madam Speaker, as Chairman MONTGOMERY has indicated, this bill would codify the cost-of-living adjustment in the rates of disability compensation and DIC which were authorized by Public Law 102-510. The increased rates became effective on December 1 of last year.

At the time we enacted last year's COLA, the fourth quarter change in the Consumer Price Index was not available to us. In order to ensure that veterans and their survivors would receive the proper COLA in their benefits, we enacted an administrative mechanism authorizing the Secretary of Veterans Affairs to increase these benefit rates by the same percentage as the increase provided for Social Security benefits. That increase turned out to be 3 percent.

This bill simply amends title 38, United States Code, to correctly reflect these new rates, and let me say again that these rates have been in effect since December 1, 1992.

Also, so that there will be no confusion, I want to make clear that this bill does not provide a COLA in these rates for fiscal year 1994. This year's COLA is addressed in a separate bill I have introduced, H.R. 2341, which we will consider at a later date.

I want to thank my chairman, Mr. STUMP, and Mr. BILIRAKIS for their support of this bill, and I also want to thank Chairman ROCKEFELLER and Senator SPECTER for moving this bill through the other body.

Mr. STUMP. Madam Speaker, as explained, these amendments are technical in nature, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from Mississippi?

There was no objection.

A motion to reconsider was laid on the table.

# ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

## SERVICEMEN'S GROUP LIFE INSURANCE AMENDMENTS OF 1993

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2647) to amend title 38, United States Code, to provide that the effective date of any changes in benefits under the Servicemen's Group Life Insurance Program shall be based on the International Date Line, as amended.

The Clerk read as follows:

H.R. 2647

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. EFFECTIVE DATE FOR CHANGES IN SERVICEMEN'S GROUP LIFE INSURANCE PROGRAM.

(A) USE OF INTERNATIONAL DATE LINE.—Section 1967 of title 38, United States Code, is amended by adding at the end the following new subsection:

"(f) The effective date and time for any change in benefits under the Servicemen's Group Life Insurance program shall be based on the date and time according to the time zone immediately west of the International Date Line."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to amendments to chapter 19 of title 38, United States Code, that take effect after November 29, 1992.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

#### GENERAL LEAVE

Mr. MONTGOMERY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill, H.R. 2647, and on the subsequent two bills, H.R. 821 and H.R. 2535.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Madam Speaker, I yield myself such time as I may consume, and I rise in strong support of H.R. 2647, as amended.

H.R. 2647 would change the time used in determining eligibility for benefits

under the Servicemen's Group Life Insurance Program.

I want to thank my colleagues, MIKE KREIDLER and BUDDY DARDEN, for sponsoring this legislation.

I want to thank the very able chairman of the Subcommittee on Compensation, Pension, and Insurance, Mr. SLATTERY of Kansas, and the ranking minority member of the subcommittee, MIKE BILIRAKIS of Florida, for allowing the bill to be brought before the House so quickly. Mr. KREIDLER introduced the bill on July 15 and Mr. SLATTERY, with the concurrence of Mr. BILIRAKIS, asked that it be considered by the full committee on July 27.

□ 1230

Madam Speaker, I yield such time as he may consume to the distinguished chairman of the subcommittee, the gentleman from Kansas [Mr. SLATTERY] for a further explanation of the bill.

Mr. SLATTERY. Madam Speaker, I thank the chairman of the committee for his kind remarks.

Madam Speaker, H.R. 2647, as amended, would establish a more equitable manner for setting the effective date for changes the Congress makes to the Servicemen's Group Life Insurance Program, which we refer to as the SGLI Program.

Last year, as part of our veterans' benefits package that reformed the DIC Program, we increased the maximum coverage available under the SGLI Program from \$100,000 to \$200,000, with the proviso that coverage above \$100,000 must now be elected by service members. By law, the increased coverage went into effect on December 1, 1992.

On the evening of November 30, 1992, two separate Air Force crashes occurred in Montana and Texas, resulting in the deaths of 17 crewmembers. According to the Department of Veterans Affairs, 11 of the service members had completed application for increased SGLI coverage prior to their deaths. The VA ruled that these deaths occurred prior to December 1, 1992, according to the local time and, as a result, their coverage under the SGLI Program was limited to whatever amount may have been in effect at that time, up to \$100,000.

The VA's decision was technically correct under current law. According to the Uniform Time Act of 1966, if a change is made in law which affects an individual's rights or obligations, the change is considered to become effective in accordance with the local time zone in which the person is located.

In the case of the two Air Force crashes, the hour of midnight, December 1, had not yet occurred according to local time. This produced what many believe is an unfair result, particularly since these individuals had expressed their intention to receive the additional coverage.

In response to this, the gentleman from Washington [Mr. KREIDLER] introduced H.R. 2647, to provide legislative relief for the survivors of these service members. Very simply, the bill states that when determining the effective date for a change in the SGLI Program, the time zone immediately west of the international date line will be used, rather than the local time in the 24 time zones around the world. This establishes a uniform manner for determining when a SGLI change is to go into effect, and I commend the gentleman highly for his quick action and leadership.

I also want to commend Chairman MONTGOMERY and the gentleman from Arizona [Mr. STUMP], as well as the ranking minority member of my subcommittee, Mr. BILIRAKIS, for their excellent work in bringing this bill out of the committee so quickly.

I urge my colleagues to support this very fine bill.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 2647, a bill to provide increased insurance coverage to those service personnel who died just hours before the effective date of the law increasing their servicemen's group life insurance from \$100,000 to \$200,000.

I commend my colleague, MIKE KREIDLER, for introducing H.R. 2647. It will ensure that the survivors of those who had applied for the additional life insurance receive it.

Madam Speaker, I also wish to applaud my good friend, SONNY MONTGOMERY, chairman of the Veterans' Affairs Committee, for his efforts in bringing this bill to the floor in such a timely manner.

Additional recognition should also go to the gentleman from Kansas [Mr. SLATTERY], chairman of the Subcommittee on Compensation, Pension, and Insurance, and the gentleman from Florida [Mr. BILIRAKIS], the subcommittee's ranking member, for their support of this measure.

I recommend that H.R. 2647 be passed.

Madam Speaker, I reserve the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I too want to thank the very able ranking minority member of the full committee, the gentleman from Arizona [Mr. STUMP], for the excellent cooperation he has given in bringing this bill to the full House so quickly.

Madam Speaker, I yield 4 minutes to the gentleman from Washington [Mr. KREIDLER], the chief sponsor of this legislation, and also a member of the Committee on Veterans' Affairs.

Mr. KREIDLER. Madam Speaker, I especially want to thank the gentleman from Mississippi [Mr. MONTGOMERY], chairman of our committee, and our ranking minority member, and the gentleman from Arizona [Mr.

STUMP). But I particularly also want to thank the members of the subcommittee who were most involved here, the gentleman from Kansas [Mr. SLATTERY] and the gentleman from Florida [Mr. BILIRAKIS], for their able assistance in bringing this matter to the floor.

As was pointed out by the gentleman from Kansas [Mr. SLATTERY], the Veterans Benefit Act of 1992, was enacted on October 29, 1992 and increased the benefits for the Servicemen's Group Life Insurance Program from \$100,000 to \$200,000.

The new law also established a requirement for participants to voluntarily elect this increased coverage.

This is in contrast with how the benefits had been invested in years past where it had been a negative check-off system. This one required a positive indication of voluntary signing up for the increased benefits. That provision, along with the expansion of the benefits, took place on December 1, 1992.

As was pointed out, on November 30, 1992, two C-141's from McChord Air Force Base crashed over Montana. That crash, and another one involving a B-1B from Texas, claimed the lives of 17 U.S. airmen.

In addition to these 17 deaths, 10 other service members are believed to have died on November 30, 1992. We have been informed by Jesse Brown, Secretary of Veterans Affairs, that 11 of these service members had signed up for increased benefits.

Today, those crashes and the aftermath are an ongoing nightmare for the 11 qualified survivors, because they have been denied increased insurance benefits.

And why?

For one simple tragic reason. These airmen happened to have 2½ hours before the effective date of their new insurance policies, according to local time.

The irony of this situation is that the crashes occurred 16 to 18 hours after it became December 1 west of the international dateline.

The denial of increased benefits to the 11 qualified survivors demonstrates that the current law governing effective dates in SGLI is archaic and outdated.

Eligibility, Madam Speaker, is by law based entirely on local time. Each time new benefits under the SGLI program are provided by laws, the benefits are phased in at 24 local separate time zones, beginning at the international dateline and ending in the Pacific region.

So, we arrive at a tragic situation when a crash over Montana occurs 2½ hours before December 1, local time, although it had been December 1 in most of the rest of the world.

I might also point out that these training activities that involve these military personnel are dangerous. They

are the type of necessary training that the military must complete as a part of their activities, but they certainly would not be condoned in the more usual civilian-type activities. So these are military-related training activities that cause these deaths.

What is the true meaning of those 2½ hours? Just take a few minutes and think about Lori Parent, the widow of Capt. Edward D. Parent, Jr., who was my constituent at the time of the crash.

"The pain of losing my husband is at times almost unbearable," she wrote to me. "I know his big gentle heart would break if he knew the circumstances following his death. Especially if he knew that his last wishes had been denied."

□ 1240

He had signed up for insurance, thought his dependents were covered, and found out, if he had lived, that, indeed, they were not.

Madam Speaker, my bill, H.R. 2647, resolves this problem. It provides full benefits to all qualified survivors of service members who died November 30, 1992.

It does so by changing the underlying problem, as was pointed out by the gentleman from Kansas [Mr. SLATTERY], by using the international dateline so that benefits would take effect for everyone once that particular date had been reached.

Secretary Brown, who supports this bill, has informed us there is no pay-as-you-go effect of this legislation since the increased SGLI coverage will come from the SGLI contingency reserve fund.

The Secretary also informed us that the Office of Management and Budget has no objections to this bill.

Again, Mr. Speaker, I thank you for your consideration and I ask my colleagues today to pass H.R. 2647.

Mr. MONTGOMERY. Madam Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Madam Speaker, I thank the distinguished chairman for yielding me this time.

Madam Speaker, I have had an opportunity and honor to serve in this body now for almost 10 years, and during that time I have had a lot of contact with all of the committees in the House of Representatives and a few in the Senate as well. But I think that my colleagues and I will agree that no committee is more responsive or cooperative than the Veterans' Committee, and I want to thank its chairman, the gentleman from Mississippi [Mr. MONTGOMERY], the ranking member, the gentleman from Arizona [Mr. STUMP], his staff, and all others who have moved so rapidly to expedite the consideration of this bill.

Madam Speaker, I rise in strong support of H.R. 2647, the Servicemen's Group Life Insurance Amendments of

1993. This bill would benefit the same group of families targeted by legislation I introduced earlier this year. Although the House will not be taking up the bill I introduced, I support H.R. 2647 and have cosponsored this bill. I also want to commend the House Veterans' Affairs Committee for bringing this legislation to the floor quickly.

On November 30, 1992, 13 Air Force crewmen died in a midair collision over Harlem, MT. Nine of the thirteen had signed up for supplemental veterans insurance of \$100,000 as they were entitled to under the Dependency and Indemnity Compensation Reform Act (Public Law 102-568). However, the accident occurred approximately 10 p.m. mountain standard time—2 hours before the insurance coverage went into effect. The Department of Veterans Affairs ruled that the crewmen were therefore not covered.

To be frank I was very disappointed to learn of the Department of Veterans Affairs decision. It would be a travesty, Madam Speaker, if the families of the deceased were denied these benefits due to a mere 2-hour technicality.

The legislation I introduced in June of this year, H.R. 2372, would establish an earlier effective date for the increase in serviceman's group life insurance coverage for the servicemembers who died in the Harlem, MT tragedy. By its terms H.R. 2647 would provide coverage for the families of these men by providing that the effective date would be based on the international date line.

I took a personal interest in this matter when I learned that one of the Air Force officers who died in the Montana tragedy was Capt. Jimmy Lee Jenkins. Captain Jenkins, 27, was originally from Marietta, GA, and had been on active duty with the Air Force for 9 years. Captain Jenkins was an outstanding Air Force officer and was a credit to his State and country.

H.R. 2647 will allow the families of the Montana crash victims to receive the benefits they are entitled to. I urge my colleagues to support this bill. It is the right thing to do.

Mr. MONTGOMERY. Madam Speaker, I yield 3 minutes to the gentleman from Washington [Mr. DICKS], also a cosponsor of this bill.

Mr. DICKS. Madam Speaker, I want to say thank you very much to the chairman, the gentleman from Mississippi [Mr. MONTGOMERY], for yielding me this time and also for the prompt work of his committee and the help of my classmate, the gentleman from Arizona [Mr. STUMP], and the gentleman from Kansas [Mr. SLATTERY], subcommittee chairman, for the great work they did in reporting out the bill introduced by my colleague, the gentleman from Washington [Mr. KREIDLER], H.R. 2647.

This bill would amend Federal law to clarify the effective date of changes in

the Servicemen's Group Life Insurance Program.

As we have heard, the gentleman from Washington [Mr. KREIDLER] has come up, I think, with a uniform way to deal with the problems that have occurred because of this local time requirement, and I think it rectifies a terribly inequitable situation where 13 Air Force servicemen, flying out of McChord Air Force Base from Tacoma, WA, were killed when two C-141 aircraft collided over Montana last fall.

I must say, I guess, that the Department of Veterans Affairs had no choice but to make the ruling that they did. But I am glad that we here in the Congress are able to rectify this situation today and to equitably correct a situation and to extend the \$100,000 in supplemental life insurance policies which the Veterans Affairs Department had determined they were not eligible for because of the time difference.

So I just want to say that I hope that my colleagues on both sides of the aisle will support this bill. I think the gentleman from Washington [Mr. KREIDLER] has come up with a very good way of dealing with it, and, Madam Speaker, I am going to enter the rest of my statement in the RECORD and urge my colleagues to support this bill and, again, thank the chairman and the leadership of this committee for their prompt action on the legislation introduced by the gentleman from Washington [Mr. KREIDLER].

Madam Speaker, I rise in strong support of H.R. 2647, a bill that would amend Federal law to clarify the effective date of changes to the Servicemen's Group Life Insurance Program.

This legislation has been made necessary by a terrible unfortunate situation: Thirteen Air Force servicemen flying out of McChord Air Force Base in Washington State were killed when two C-141 aircraft collided over Montana last fall.

But the Department of Veterans Affairs has told the families of nine of these personnel that their loved ones died 2½ hours too early.

These crewmembers of the tanker aircraft had \$100,000 supplemental life insurance policies which the Veterans Affairs Department has determined were not in effect at the exact time of the crash. The families have been told that since the crash occurred at 9:30 p.m. on the evening of November 30, and the effective date of the new Government-sponsored supplemental life insurance program was December 1, 1992, they are not eligible for any benefits.

One of the family members has noted that the U.S. military operates universally on Greenwich mean time, and that even the clock in the cockpit of the aircraft that was destroyed was set at Greenwich mean time. According to Greenwich mean time, the crash occurred on the morning of December 1, and thus the families of the crash victims would be eligible to receive the supplemental benefits. What this means is that if this crash occurred over the Atlantic Ocean at the same exact moment, these personnel would have been covered by the supplemental insurance.

My colleague from Washington State, Congressman MIKE KREIDLER, has prepared a legislative solution that will alter, retroactively, the effective date and time of the serviceman's group life insurance increased benefits.

H.R. 2647 would accomplish two main goals. It would provide the appropriate amount of servicemen's group life insurance [SGLI] benefits to the nine military personnel who died while in service to their country—as well as to four airmen killed that same night in the crash of a B-1 bomber—and, it would establish a more rational and equitable effective date policy for changes to SGLI. I believe we all agree that American personnel should be treated equally, not with regard to which time zone they're serving their country in at that moment. I call on my colleagues to support H.R. 2647, to guarantee that every eligible participant of this insurance program is covered at the same moment in time around the world.

[From the Associated Press, July 14, 1993]

VA RULES MID-AIR CRASH VICTIMS DIED 2½ HOURS TOO EARLY; DENIES INSURANCE

GREAT FALLS, MT.—The families of nine airmen killed in an air collision are being denied \$100,000 each in insurance benefits because the crash occurred 2½ hours before the policies took effect.

Thirteen Air Force fliers from McChord Air Force Base near Tacoma, Wash., were killed last fall when two C-141B jet transports collided during a night aerial refueling mission over Montana and exploded.

Nine of the victims had signed up for a \$100,000 supplemental life insurance policy, scheduled to take effect Dec. 1.

But the crash occurred about 9:30 on Nov. 30. Paul Koons of the Department of Veterans Affairs said no benefits can be paid.

"Given the number of people we cover, somebody is always going to die five minutes, 10 minutes, or a half an hour before a new policy takes effect," Koons said.

But the dead men's wives and parents say the ruling is unfair. They also note that the military operates on Greenwich Mean Time, an international time standard that is seven hours ahead of Mountain Standard Time.

"My husband dedicated his life to the Air Force, and the clock in his cockpit said it was December first when that plane went down," said Lori Parent, who now lives near Chico, Calif.

Koons said the VA would be happy to pay the benefits if Congress approves a retroactive change in the effective date. He said that has happened before, notably after a 1985 crash of a military transport in Gander, Newfoundland, and for some victims in the Persian Gulf War.

"If we can find a way to pay the survivors, we'd certainly like to do so," he said.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, the administration totally supports this legislation, and I urge my colleagues to adopt this bill.

Mr. BISHOP. Madam Speaker, 13 airmen were killed on November 30, at 8:20 p.m. mountain standard time in a Montana midair collision. And four airmen died in a Texas crash on November 30, at 11 p.m. central standard time. These crashes came 16 to 18

hours after it became December 1 just west of the international dateline. Under H.R. 2647, supplemental life insurance benefits would be extended to survivors of the airmen who died just hours before the effective date of coverage. This bill will do what is proper, Madam Speaker, and it will do what it right. That is to increase the maximum Servicemen's Group Life Insurance coverage from \$100,000 to \$200,000 based on the international dateline, so that the families of these service members will receive those benefits. I support this effort, and I urge my distinguished colleagues on both sides of this Chamber to join me.

Mr. MONTGOMERY. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. SCHROEDER). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2647, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### RESERVISTS' ELIGIBILITY FOR BURIAL IN NATIONAL CEMETERIES

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 821) to amend title 38, United States Code, to extend eligibility for burial in national cemeteries to persons who have 20 years of service creditable for retired pay as members of a Reserve component of the Armed Forces.

The Clerk read as follows:

H.R. 821

*Be it enacted by the Senate and House of Representatives for the United States of America in Congress assembled,*

#### SECTION 1. ELIGIBILITY FOR BURIAL IN NATIONAL CEMETERIES.

(a) IN GENERAL.—Section 2402 of title 38, United States Code, is amended—

(1) by redesignating paragraph (6) as paragraph (7); and

(2) by adding after paragraph (5) the following new paragraph:

"(6) Any person who at the time of death was entitled to retired pay under chapter 67 of title 10 or would have been entitled to retired pay under that chapter but for the fact that the person was under 60 years of age."

(b) CONFORMING AMENDMENTS.—(1) Section 2301(e) of such title is amended by striking out "section 2402(6)" and inserting in lieu thereof "section 2402(7)".

(2) Section 2306(a)(2) of such title is amended by striking out "(6)" and inserting in lieu thereof "(7)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in strong support of this legislation.

H.R. 821 extends eligibility for burial in the national cemeteries for certain reserve and National Guard members.

I want to thank the distinguished chairman of the Subcommittee on Housing and Memorial Affairs, Mr. SANGMEISTER, for his support of the bill and for the outstanding leadership he is providing as chairman of this subcommittee. He will explain this bill.

I also appreciate the cooperation we have received from the gentleman from Indiana [Mr. BURTON], ranking minority members of the subcommittee.

Madam Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. SANGMEISTER].

Mr. SANGMEISTER. Madam Speaker, I would like to thank and commend the gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the full committee for his leadership and ongoing support of this measure. I would also like to thank the gentleman from Arizona [Mr. STUMP] and the gentleman from Indiana [Mr. BURTON], the ranking minority members of the full committee and subcommittee for their efforts and support. In particular, I would like to thank HENRY BONILLA who introduced this bipartisan bill along with CHARLIE STENHOLM, TOM DELAY, and Veterans' Affairs Committee members FRANK TEJEDA and STEPHEN BUYER. This legislation would extend eligibility for burial in national cemeteries to members of the Reserves and National Guard who have qualified service of 20 or more years.

Madam Speaker, under current law, the only members of Reserve components of the Armed Forces who are eligible for burial in a national cemetery are those who:

First, die under honorable conditions while hospitalized or undergoing treatment, at the expense of the United States, for injury or disease contracted or incurred while such member is performing active duty for training, inactive duty training or traveling to and from such duty;

Second, are disabled or die from disease or injury incurred or aggravated in line of duty during or en route to or from active duty for training; or

Third, are disabled or die from injury, but not disease, incurred or aggravated in line of duty during or en route to or from inactive duty training.

However, members of the Reserves who have spent 20 years in a state of continual readiness to defend our Nation at a moments notice are not eligible for burial in our national cemeteries.

Our Nation has long depended upon and recognized the contribution of our citizen soldiers. From the Minutemen

of the Revolution to the valiant men and women who served during Desert Storm, our reserve and National Guard members must satisfy the full mobilization requirements of all Active Duty Forces. He or she may be called upon to perform capably in a highly complex, hostile, and demanding environment, to operate sophisticated military equipment, and to not only augment Active Forces but to actually perform a wide range of critical functions whose skills exist entirely within the reserve components. Additionally, these dedicated individuals also honor their obligations to family, home, and civilian employers. During a 20-year career the men and women of our Reserve Forces perform more than 2 years of collective military service, an amount of time equivalent to that which currently qualifies active duty veterans for burial in a national cemetery.

Madam Speaker, in the report of the Sixth Quadrennial Review of Military Compensation [6th QRMC], it was noted that, with the advent of the All Volunteer Force, the scope, size, and importance of missions assigned to Reserve components have increased dramatically. The Armed Forces now depend heavily on reservists as a key part of the total force. This was demonstrated most recently during the Persian Gulf war, during which a total of about 228,000 reservists were ultimately activated in support of Operation Desert Storm. Additionally, reservists stand ready to assist their fellow Americans when a disaster hits home such as the flooding along the Mississippi corridor, hurricane relief along coastal areas, and the maintenance of law and order and provision of humanitarian assistance whenever and wherever needed.

In view of this expanded role, the 6th QRMC recommended that all members of the Selected Reserve, plus reservists in any category who have completed the service requirements for retired pay, 20 years, under chapter 67, title 10, or who are in receipt of such pay, should be added to the list of persons qualified for burial in a national cemetery.

According to the Sixth QRMC, extension of this benefit to such members is clearly warranted. Their participation requirements, their mobilization vulnerability, and the requirement that they be prepared to report within 24 hours of notification underscore the fact that today's selected reservists are continuous members of the total force. National Guard and Reserve members who have maintained a commitment to the Armed Forces for at least 20 years should also be afforded eligibility for burial in our national cemeteries as a reflection of the service they have voluntarily rendered their country.

Madam Speaker, as you are aware, similar legislation, H.R. 4368, which

provided the burial benefits specified in H.R. 821 passed the full House of Representatives during the 102d Congress.

Madam Speaker, I urge favorable consideration of this bill.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 821, a bill to provide full burial benefits in national cemeteries to National Guard and Reserve retirees who have completed 20 years or more as members of a Reserve component of the armed services.

I commend my colleague, HENRY BONILLA, for introducing H.R. 821. The bill will ensure that our Reserve component forces receive the Nation's full recognition as a final tribute for their service.

Madam Speaker, I also wish to thank my good friend SONNY MONTGOMERY, chairman of the Veterans' Affairs Committee, for his timely action on this bill.

In addition, I wish to recognize the gentleman from Illinois [Mr. SANGMEISTER], chairman of the Subcommittee on Housing and Memorial Affairs, and the gentleman from Indiana [Mr. BURTON], the subcommittee's ranking member, for their consideration of this measure.

I recommend that H.R. 821 be passed.

□ 1250

Madam Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BONILLA].

Mr. BONILLA. Madam Speaker, on behalf of over 1 million reservists and their families across this great Nation, I appreciate the opportunity to offer this bill—H.R. 821—for consideration by the House of Representatives. This bipartisan measure received strong support from members of the Veterans' Affairs Committee. As you know, this legislation would extend eligibility for burial in national cemeteries to members of the Reserve components of our Armed Forces who have at least 20 years of service creditable for retired pay.

Under current law, the only members of the Reserve components of the Armed Forces who are eligible for burial in a national cemetery are those who: First, die under honorable conditions while hospitalized or undergoing treatment at the expense of the United States, for injury or disease contracted or incurred while such member is performing active duty for training, inactive duty training or traveling to or from such duty; second, are disabled or die from disease or injury incurred or aggravated in line of duty during or enroute to or from inactive duty training; or third, are disabled or die from injury—but not disease—incurred or aggravated in line of duty during or enroute to or from active duty training.

However, members of the Reserves who have spent 20 years preparing both

physically and mentally to defend our Nation at a moments notice are not eligible for burial in the National Cemetery System.

Reservists have served this Nation admirably over the years. Reserve units participated in large numbers and were key elements of operations such as: Urgent Fury in Grenada; Just Cause and Kindly Liberty in Panama; and Desert Shield/Desert Storm. Reservists also stand ready to assist Americans when a disaster hits home such as Hurricane Andrew—after which we saw Reserve forces maintaining law and order and providing humanitarian assistance in south Florida.

These instances that I have just noted are only a few of the ways in which reservists serve our Nation. I believe that this dedicated service must be fully acknowledged. Our reservists should be provided the benefit of burial in a national cemetery.

Madam Speaker, as you know, H.R. 821 passed through subcommittee and full committee markup with broad bipartisan support, and I believe that we should do as the Members of the 102d Congress did in recognizing that reservists who dedicate years to their country should be accorded burial rights in our national cemeteries.

Madam Speaker, I urge all Members to support this bill.

Mr. MONTGOMERY. Madam Speaker, I yield 2 minutes to the gentleman from Washington [Mr. KREIDLER].

Mr. KREIDLER. I thank the chairman for yielding this time to me.

Madam Speaker, I rise also to commend the individuals involved with this legislation: the chairman of the Committee on Veterans' Affairs, the gentleman from Mississippi [Mr. MONTGOMERY]; the chairman of the subcommittee, the gentleman from Illinois [Mr. SANGMEISTER]; and the ranking Republican on the committee, the gentleman from Arizona [Mr. STUMP]; and the sponsor of this bill, the gentleman from Texas [Mr. BONILLA], for introducing this legislation.

Madam Speaker, as an Army reservist with 20 years' eligibility, this has some bearing on me personally. I have 23 months of active-duty service time, not 24 months, which would be the requirement now for interment in one of the veterans cemeteries. As a result, still serving for 20 months during the Vietnam war and 3 months during Operation Desert Shield and Storm, I still would not be eligible. With this legislation, I would be eligible.

I might point out that there are very few individuals who have 20 years of eligible service in the Reserve and Guard who do not have 2 years of active-duty time in conjunction. So, this applies to a very relatively small number of individuals like myself. But it does give us the opportunity to select, if we so desire, the opportunity to be buried and interred in a national cemetery, as this bill would authorize.

So, I commend the individuals involved with this legislation and very much appreciate the opportunity to be a part of urging other Members to join us in this legislation.

Mr. STUMP. Madam Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], a member of the committee.

Mr. BUYER. I thank the gentleman for yielding this time to me.

Madam Speaker, I rise today to lend my strong support to H.R. 821, which extends eligibility for burial in national cemeteries to those who have 20 years of service as members of the Reserve component of the Armed Services.

I recognize with distinction the efforts of the gentleman from Illinois [Mr. SANGMEISTER], along with the efforts of the gentleman from Indiana [Mr. BURTON]; the gentleman from Mississippi [Mr. MONTGOMERY], chairman of the committee on Veterans' Affairs; and the gentleman from Arizona [Mr. STUMP] for their efforts and their leadership.

We hear a great deal about the fears of our military leaders who caution about the return of the hollow force, the hollow military.

In 1973, at the end of the Vietnam conflict, the beginning of an All-Volunteer Force, the hollow force was a reality.

In an effort to rectify this problem, then-Secretary of Defense, James Schlesinger, with the advice and support of the Joint Chiefs of Staff, created the total-force policy. This policy called for an increase in interdependence of active-duty forces along with the integration of the National Guard.

At the same time, it stated that, "The integration of planning, programming, and budgeting for the manning, equipping, and maintaining and training of the mix of active and Reserve forces is essential for meeting the initial contingency demands for our forces," that is, the total-force concept.

Nowhere was this interdependence more evident than during Operations Desert Shield and Desert Storm. Within 10 days of invasion, President Bush authorized the callup of 200,000 Reserve and National Guard personnel in response to this national emergency. These citizen-soldiers, the modern-day Minutemen and Minutewomen, served with distinction in every aspect of this campaign. The concept of the total force must go far beyond the training and integration with the active component first envisioned by those planners 20 years ago. If our reservists and National Guard must share the dangers or the possibilities of these dangers, then they should share in the benefits as well.

This bill takes another step in helping these dedicated men and women reap the benefits of their service.

H.R. 821 will provide burial eligibility to those who make the long-term commitment to their country while serving in the Reserves and the National Guard. While they may never be called to active duty or federalized in response to a national emergency, I feel their readiness and dedication to serve should be rewarded with benefits for having given 20 years to this country.

I urge my colleagues to support this legislation and to help honor those who are twice the citizen by having served their Nation and in our hometowns across America. With great compliments, I extend to HENRY BONILLA for introducing and bringing this legislation to the floor.

Mr. STUMP. Madam Speaker, I urge my colleagues to support H.R. 821.

Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, this bill sends a clear signal that the role of the members of the Reserve forces is very important to the defense of our country. It recognizes the total-force concept, and I urge my colleagues to adopt this legislation.

Madam Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DE LA GARZA], the chairman of the Committee on Agriculture, who has also been interested in this legislation.

Mr. DE LA GARZA. I thank the chairman for yielding this time to me.

Madam Speaker and Mr. Chairman, I appreciate this opportunity. Let me say that what has been said here this morning about members of the National Guard serving their country, that in that respect, three of my National Guardsmen recently were killed while on their 2-week training period at Fort Hood. They died as heroes in a tragic accident. But this exemplifies what is being attempted here in this legislation, because they served during Desert Storm in every phase from training in one area to the actual front. They will be treated as full military service casualties. But the fact that they served during peacetime in the National Guard should not be forgotten. I think this would be a tribute to the three military men who died in the service of their country recently, that they also should receive some of the rewards that we give to all those who serve.

I join with the chairman in support of this legislation.

Mr. MONTGOMERY. Madam Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the chairman of the committee, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. I thank the gentleman for yielding.

Madam Speaker, I thank the gentleman for bringing up this sad tragedy

which happened on a training mission. These guardsmen were on active-duty training, on their 15-day annual training. When you deal with ammunition and with heavy equipment, you do have sadness and people do get hurt.

I want to thank the gentleman for coming over here and participating. These National Guard men and reservists are part of the total force now.

□ 1300

As we reduce the military, these guardsmen and reservists have to take more responsibility, and this is just one way to show our appreciation.

If the gentleman has any problems, I am not sure, but if these three guardsmen, I believe since they were on active duty they might be eligible to be buried in a national cemetery, but if problems do develop, our committee certainly would like to be of help.

Mr. DE LA GARZA. The military is conducting the necessary investigation. There has been one problem with one of them. They are buried already.

Both the Texas National Guard and the Regular Army are working with the families, I am working with the families.

The point I wanted to make was that whether you are in the Reserves or in the National Guard, you are always in the service of your country. When you deal in this type of training, you are never out of harm's way, and anything that we can do for them I think is merited and more.

Mr. BUYER. Madam Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Indiana.

Mr. BUYER. Madam Speaker, to clarify the record, this is a bill that extends eligibility to those National Guard men who have given 20 years and having perhaps never having served in Federal service beyond their annual training.

While I sit here with great distinction and honor for the three men who lost their lives in the National Guard, this bill in particular does not extend burial rights to them unless they were beyond 20 years of service.

Would that be correct?

Mr. MONTGOMERY. Madam Speaker, if the gentleman will yield further, that is correct.

The SPEAKER pro tempore (Mrs. SCHROEDER). The time of the gentleman from Texas has expired.

Mr. MONTGOMERY. Madam Speaker, I yield 1 additional minute to the gentleman from Texas.

Mr. DE LA GARZA. That is perfectly understood. My purpose here is to say that these three signify that they also served and were in harm's way. What we do here is for their buddies who will serve similarly and serve their 20 years, that we enhance their position through this legislation.

Those who died in this tragic accident will be considered as and receive

the benefits of the Regular Army, having died on active duty. That is being handled by the regular military at this time.

Mr. BUYER. And their sacrifice is defined as the total force concept, and the total integration of the National Guard and Reserves in the active component for the service of our country.

Mr. SANGMEISTER. Madam Speaker, will the gentleman yield?

Mr. DE LA GARZA. I am happy to yield to the gentleman from Illinois.

Mr. SANGMEISTER. Just as a bit of clarification, Madam Speaker, I am not quite sure what the facts were surrounding these National Guard people, but I understood they were on active duty at that point, is that correct?

Mr. DE LA GARZA. The gentleman is correct.

Mr. SANGMEISTER. If you are on active duty, in my opinion, they are covered by the legislation, so they would qualify.

Mr. DE LA GARZA. It has been handled as if they were Regular Army, serving on active duty. That is not an issue at this time. The investigation is continuing.

My intervention at this point is to thank these gentlemen for what they do for their buddies who served in the National Guard in peacetime and that if they served their 20 years, then they should be compensated similarly, because they are always in harm's way, regardless of whether they are just training on weekends or they are training for 2 weeks, but when they wear the uniform of either the Texas National Guard, which translates to the military of the United States of America, they should be treated with the same honor and respect and credits that we can do.

This is a measure which in part enhances their position.

Mr. BISHOP. Madam Speaker, I rise in support of H.R. 821. This bill would make our loyal military reservists who have 20 years of service eligible for burial in national cemeteries. This action is a long time coming, Madam Speaker, and a just reward for these men and women who have dedicated their lives to serving our country and for their families, who also make the sacrifice. Our reservists stand ready for the call, Madam Speaker, as many proved during the Persian Gulf war. Under this bill, reservists entitled to retirement pay but who are under 60 years of age could be buried beside their comrades. Many of my constituents are military reservists, Madam Speaker, and many of them served in the Persian Gulf as part of their duty. Now it is our duty, Madam Speaker, to bestow upon them this honor.

Mr. GILMAN. Madam Speaker, I am honored to rise in support of H.R. 821. I commend my distinguished colleague from Texas, Mr. BONILLA, for introducing this worthwhile legislation. I would also like to praise the Committee on Veterans' Affairs. Under the leadership of the chairman of the committee, my colleague from Mississippi, Mr. MONTGOMERY, and the

ranking minority member, my colleague from Arizona, Mr. STUMP, a continued commitment has been shown to veterans' issues.

I am pleased to support this legislation which will extend eligibility of national cemetery burial benefits to National Guard and reservist retirees who have completed 20 or more years of service. Under current law, members of the Reserves may be buried in national cemeteries only if they are disabled or die as a result of active duty. I believe that H.R. 821 is worthy legislation enabling our Nation to pay final tribute to National Guard and reservist retirees who have given so much of themselves to our country.

I am pleased that the House is reviewing this important issue. The death of a loved one causes an unfortunately emotional strain. However, the death of a loved one should not cause a financial strain too. Accordingly, it is for that reason that I have introduced legislation, H.R. 34, that will boost funeral benefits to a level previously afforded to all our wartime veterans.

Prior to 1981, a burial allowance of up to \$300 was provided in all cases where a veteran died: First, of service-connected disability; second, if he was a veteran of any war; third, if he was discharged for a disability incurred or aggravated in the line of duty; or fourth, if he was in receipt of, or entitled to, disability compensation.

Under the Omnibus Budget Reconciliation Act of 1981, the veterans' burial benefits were decreased significantly by limiting funeral benefits to veterans receiving pension or compensation benefits, or residing in a VA-supported health facility at the time of death. That reduction mistakenly placed an economic value on a benefit given by Congress to ensure that all veterans would be buried with dignity and respect, regardless of their income or social standing at time of death. I believe this is also in direct violation of the longstanding principle held by the American Legion which calls for equal benefits for equal service.

The 1990 Omnibus Budget Reconciliation Act further limited burial plot allowances. The 1990 veterans benefits and services reconciliation conference agreement eliminates the plot allowance of \$150, with the exception of veterans who are in receipt of DVA disability benefits, such as compensation or pension.

H.R. 34 restores the pre-1981 eligibility for veterans for the purposes of receiving funeral benefits, increases the amount of those benefits from \$300 to \$400, and increases the plot allowance from \$150 to \$300.

As a nation, we have a moral obligation to provide our service men and women with funeral benefits. For this reason I am pleased to support H.R. 821. However, I believe that we must go a step further. I urge my colleagues to support my legislation which will reinstate our veterans' funeral benefits. By doing this we will fulfill our obligation to all those who have fought and risked their lives to protect the ideals and the people of our great Nation. We should do no less, for those who have given so much to defend our freedom.

Accordingly, I urge my colleagues to support H.R. 821, as an important step in acknowledging the devotion by our veterans to our Nation.

Mr. STUMP. Madam Speaker, I yield, back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 821.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### PRIORITY VA HEALTH CARE FOR PERSIAN GULF VETERANS

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2535) to amend title 38, United States Code, to provide additional authority for the Secretary of Veterans Affairs to provide health care for veterans of the Persian Gulf war, as amended.

The Clerk read as follows:

H.R. 2535

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. AUTHORITY TO PROVIDE PRIORITY HEALTH CARE.

(a) AUTHORIZED INPATIENT CARE.—(1) Section 1710(a)(1)(G) of title 38, United States Code, is amended by striking out "or radiation" and inserting in lieu thereof "radiation, or environmental hazard".

(2) Section 1710(e) of such title is amended—

(A) by inserting at the end of paragraph (1) the following new subparagraph:

"(C) Subject to paragraphs (2) and (3) of this subsection, a veteran who the Secretary finds may have been exposed while serving on active duty in the Southwest Asia theater of operations during the Persian Gulf War to a toxic substance or environmental hazard is eligible for hospital care and nursing home care under subsection (a)(1)(G) of this section for any disability which becomes manifest before October 1, 1996, notwithstanding that there is insufficient medical evidence to conclude that such disability may be associated with such exposure."

(B) in paragraph (2), by striking out "subparagraph (A) or (B)" and inserting in lieu thereof "subparagraph (A), (B), or (C)"; and

(C) in paragraph (3), by striking out the period at the end and inserting in lieu thereof "or, in the case of care for a veteran described in paragraph (1)(C), after September 30, 1998."

(b) AUTHORIZED OUTPATIENT CARE.—Section 1712(a) of such title is amended—

(1) in paragraph (1)—

(A) by striking out "and" at the end of subparagraph (B);

(B) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "and"; and

(C) by adding at the end the following:

"(D) during the period before October 1, 1998, for any disability which becomes manifest before October 1, 1996, in the case of a veteran who served on active duty in the Southwest Asia theater of operations during the Persian Gulf War and who the Secretary finds may have been exposed to a toxic substance or environmental hazard during such service, notwithstanding that there is insuffi-

cient medical evidence to conclude that the disability may be associated with such exposure.""; and

(2) by adding at the end the following new paragraph:

"(7) Medical services may not be furnished under paragraph (1)(D) with respect to a disability that is found, in accordance with guidelines issued by the Under Secretary for Health, to have resulted from a cause other than an exposure described in that paragraph."

#### SEC. 2. EFFECTIVE DATE.

(a) EFFECTIVE DATE.—The amendments made by section 1 shall take effect as of August 2, 1990.

(b) PROCEDURE FOR REFUNDS OF PRIOR PAYMENTS.—Upon application of a veteran submitted after the date of the enactment of this Act, the Secretary of Veterans Affairs shall refund to the veteran any amount paid by the veteran to the Secretary before the date of the enactment of this Act in accordance with sections 1710(f) and 1712(f) of title 38, United States Code, for care and services covered by the amendments made by section 1.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. STUMP] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Madam Speaker, I yield myself such time as I may consume.

This bill would provide additional authority for the Secretary of Veterans Affairs to provide health care for veterans of the Persian Gulf war.

I want to thank the distinguished chairman of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs, the gentleman from Georgia [Mr. ROWLAND] for his leadership and the leadership of the ranking minority member of the subcommittee, the gentleman from New Jersey [Mr. SMITH] and the ranking minority member, the gentleman from Arizona [Mr. STUMP] for their cooperation.

I also want to acknowledge the good work of the chairman of the Subcommittee on Oversight and Investigations, the gentleman from Illinois [Mr. EVANS], whose oversight hearings disclosed very clearly the health problems so many Persian Gulf veterans are having since returning home.

Madam Speaker, I am pleased to yield such time as he may consume to the chairman of the Subcommittee on Hospitals and Health Care of the Committee on Veterans' Affairs, the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND. Madam Speaker, I appreciate the gentleman yielding this time to me.

I commend the gentleman from Mississippi and the gentleman from Arizona [Mr. STUMP], the ranking member of the Committee on Veterans' Affairs, for the support and assistance they have given in developing this legislation and bringing it to the floor.

Madam Speaker, I rise in support of H.R. 2535, as amended, legislation granting VA authority to provide health care on a priority basis to veterans of the Persian Gulf war.

There have been many concerns raised that U.S. troops were exposed to potential environmental and chemical hazards during their service in the Persian Gulf war and that these potential hazards are now causing health problems in some returning veterans. These concerns prompted several hearings by two different subcommittees.

The Subcommittee on Oversight and Investigations of the Committee on Veterans' Affairs, chaired by the gentleman from Illinois [Mr. EVANS] held two hearings.

The hearings provided a basis to examine what had been learned to date about the health effects and risks of exposure to environmental and chemical factors in the Persian Gulf as well as the health status of Persian Gulf veterans. As a result of the testimony received during the hearings, our members saw the need for legislation.

I particularly want to thank the gentleman from Tennessee [Mr. CLEMENT], the gentleman from Illinois [Mr. EVANS], the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Illinois [Mr. GUTIERREZ] for the work they have done on this, and for the work of the ranking member of the subcommittee, the gentleman from New Jersey [Mr. SMITH]. I really appreciate his help as well in putting this bill together.

Madam Speaker, H.R. 2535, as amended, would authorize the VA to provide health care on a priority basis to veterans who may have been exposed to toxic substances or environmental hazards while on active duty in-theater during the Persian Gulf war. This authority would expire on September 30, 1998.

Such care or treatment, whether inpatient, outpatient, or long-term care would be available for any condition which manifests itself prior to October 1, 1996. This would include all conditions, other than conditions which the VA finds have resulted from a cause other than an exposure to either toxic substances or environmental hazards. This authority would be retroactive to August 2, 1990, in order to avoid any veteran being billed for care that the VA has already provided to that veteran.

I think this is a good bill and thank my colleagues for their input into its drafting. This bill assures comprehensive treatment for a reasonable period, while giving us time to do oversight and see if there is a need to go further.

Madam Speaker, I urge my colleagues to support the bill.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I want to commend Chairman MONTGOMERY for his leadership on this issue.

I also want to thank the subcommittee chairman, the gentleman from Georgia [Mr. ROWLAND], and the ranking minority member, the gentleman from New Jersey [Mr. SMITH] for their leadership and expertise as well.

In addition, I would like to acknowledge also the gentleman from Illinois [Mr. EVANS] for his work on this issue as chairman of the Subcommittee on Oversight and Investigations of the Committee on Veterans' Affairs.

I also think the gentleman from Indiana [Mr. BUYER] should be recognized for all his hard work on behalf of the men and women who served in the Persian Gulf.

Last year, the House passed legislation, Public Law 102-585, which allowed Persian Gulf veterans the opportunity to receive health examinations, counseling, and to participate in a health-related registry.

H.R. 2535, as amended, gives the VA additional authority to provide health care to Persian Gulf war veterans on a priority basis.

It is my hope that this legislation in combination with Public Law 102-585 will address the health care problems of these veterans.

Madam Speaker, I support this bill and urge the support of my colleagues.

□ 1310

Madam Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SMITH], the ranking member of the Subcommittee on Hospitals and Health Care.

Mr. SMITH of New Jersey. Madam Speaker, I rise today in strong support of H.R. 2535, legislation to authorize the Department of Veterans Affairs to provide priority health care to veterans who may have been exposed to toxic substances or environmental hazards while on active duty during the Persian Gulf war.

In what is clearly a lesson learned from the agent orange issue, I am pleased to see that legislation to assist our gulf war veterans has moved so quickly to the House floor. Chairman MONTGOMERY and Mr. ROWLAND are to be commended for putting this issue at the top of the committee's agenda.

Madam Speaker, H.R. 2535 is truly a comprehensive bill. Inpatient hospital care and outpatient services are both required under this measure. Likewise, nursing home services are also authorized for veterans. All medical conditions which become manifest before October 1, 1996, are also covered under H.R. 2535 unless specifically found by the Under Secretary for Health not to be caused by environmental hazards or toxic substances.

The Secretary shall also refund any copayments made by veterans for care provided prior to enactment. To ensure that all veterans are covered under the provisions of this bill, its effective date is retroactive to August 2, 1990. During

fiscal year 1992, the Department of Veterans Affairs had treated 242 gulf war veterans in New Jersey on an outpatient basis.

Madam Speaker, the Veterans' Affairs Committee has conducted several crucial hearings on the lingering health problems associated with service in the Persian Gulf. Last year's Hospitals and Health Care Subcommittee hearing resulted in the creation of the Persian Gulf Registry. Also, the recent hearings called by Chairman LANE EVANS in the Oversight and Investigations Subcommittee underscored the need for a specific authorization for the VA to provide care to gulf veterans for those mysterious conditions which could be connected to their service.

Madam Speaker, the terms toxic substances or environmental hazard were also used to provide the VA with the greatest leeway in determining eligibility. The bill's report language will list several specific definitions, but eligibility will not be limited to those enumerated.

During Operation Desert Storm, Madam Speaker, our service men and women were subjected to myriad toxic substances and environmental threats which may prove hazardous to their health. Among the risks faced were the many oil well fires and burning landfills, the chemical agents and pharmaceuticals dispensed by the Department of Defense to protect our soldiers from Iraqi poison gas or biological weapons, and the indigenous diseases or infections which were transmitted by parasites. In addition, the pesticides which were used on a widespread basis to limit insects could also pose significant medical risks. Finally, there was the risk presented by depleted uranium [DU]. American tanks fired projectiles hardened with depleted uranium to increase their punch and stopping power. The shells produced a residue after exploding that could prove quite dangerous. Some veterans ingested the residue or had wounds contaminated with the DU shrapnel. At least two veterans from New Jersey have been treated by the VA for exposure to DU. Their conditions—and the other such exposed veterans—will be carefully monitored.

Despite the astonishingly few combat casualties and the remarkably few non-battle injuries sustained during the conflict, the DOD wisely performed physical examinations on each of the 675,000 service men and women who were stationed in the gulf. This information, combined with findings from the VA resulting from the Persian Gulf Health Registry—which now holds records on approximately 75,000 veterans—will form the basis for an epidemiological research study to find the answers to the mysterious illnesses which are afflicting gulf veterans. Thus far, 45 New Jersey gulf war veterans have had registry examinations. They report 51 different diagnoses including

headaches, fatigue, hair loss, and depression. In addition, several more unusual symptoms were reported such as bleeding gums, thyroid conditions, and anemia.

Madam Speaker, as a cosponsor of H.R. 2535, I wholeheartedly endorse its adoption by the House.

Mr. MONTGOMERY. Madam Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS], a cosponsor of this legislation.

Mr. EVANS. Madam Speaker, I want to first thank Chairman MONTGOMERY and the ranking Republican member, the gentleman from Arizona [Mr. STUMP], for helping us move through this legislation, along with the subcommittee chairman, the gentleman from Georgia [Mr. ROWLAND], the chairman of the Subcommittee on Hospitals and Health Care, for moving this legislation through very quickly.

I also want to thank my subcommittee members, the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Illinois [Mr. GUTIERREZ], the gentleman from Indiana [Mr. BUYER], and the gentleman from Tennessee [Mr. CLEMENT], for their hard work in getting this legislation through and their attendance at both hearings.

On June 9, the Committee on Veterans' Affairs' Subcommittee on Oversight and Investigations held a 9-hour hearing which received testimony stating that there were perhaps 4,000 Persian Gulf veterans, including our colleague, the gentleman from Indiana [Mr. BUYER], who suffered from health problems related to their service to our country in the gulf. These men and women went to battle for our country, and it is the VA's duty to care for them now.

Nonetheless, the subcommittee also heard that some veterans were denied the health care they needed because they could not prove that their illnesses were service connected.

This is absurd. The VA's inability to diagnose their illnesses should not hinder their ability to receive care. These are veterans that need our help and need it now.

Furthermore, these veterans should not be forced to pay out of their pocket for the illnesses that they are suffering from and for their treatment. Since the VA was not able to diagnose those illnesses, many veterans have been charged copayments for health care. This is unfair, because other service-connected veterans do not pay for VA-related health care.

Madam Speaker, this legislation would ensure these veterans access to VA health care, forgive outstanding bills, and force the VA to repay those bills these veterans have paid. That is why I strongly support the legislation. But I urge my colleagues to take a close look at this issue. I believe more will need to be done. The gentlewoman

from Colorado [Mrs. SCHROEDER] and the gentleman from California [Mr. DELLUMS] have included legislation in the DOD legislation that we passed out of committee the other night funding for studies concerning multiple chemical sensitivity and depleted uranium. We thank them for their strong support for Persian Gulf veterans, and all of our colleagues for their hard work.

Mr. STUMP. Madam Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], a member of the committee.

Mr. BUYER. Madam Speaker, I rise today on the third anniversary of the beginning of the Persian Gulf war to speak in strong support of H.R. 2535. It is fitting that on this anniversary that the Congress consider this legislation that will provide additional authority for the Secretary of Veterans Affairs to provide health care for veterans of this conflict.

In listening to the hours of testimony before the Committee on Veterans' Affairs' Subcommittee on Oversight, led by the gentleman from Illinois [Mr. EVANS] along with the gentleman from Alabama [Mr. BACHUS], I was struck by the widespread incidence of mysterious symptoms suffered by many of the veterans of this war.

At the same time I was very concerned that both the Department of Defense and the Veterans' Administration were categorizing these veterans as having post-traumatic stress disorder, chronic fatigue syndrome, or other unidentified mental disorders. It was obvious from the testimony that there was more to this than what meets the eye. However, the military and the VA medical communities were giving us a catch-all diagnosis, which is entirely disappointing to this Member.

In addition, I was also surprised to learn that over 73,000 gulf war veterans have sought outpatient medical treatment for various medical problems over the past 3 years. Yet only 26 veterans have been admitted to special gulf referral centers with diagnostic workups.

I am encouraged by the quick action, though, taken by this Congress to rectify the problem. I note it was brought up earlier that the National Academy of Sciences released its report on the health effects of herbicides used in Vietnam. The debate over the agent orange issue still haunts the veterans of the Vietnam era. We have learned from that experience and will not repeat the same mistakes.

The veterans all across America can be well assured that the lineup of the Committee on Veterans' Affairs in the House of Representatives is in fact the lineup that stands strong for the veterans and can work in a bipartisan effort to move legislation quickly through this House.

I would like to thank my colleagues, the gentleman from Illinois [Mr.

EVANS], the gentleman from Massachusetts [Mr. KENNEDY], the gentleman from Tennessee [Mr. CLEMENT], the gentleman from Illinois [Mr. GUTIERREZ], the gentleman from New Jersey [Mr. SMITH], and the gentleman from Alabama [Mr. BACHUS], for their hard work on this issue.

I would also like to thank the gentleman from Georgia [Mr. ROWLAND], the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Arizona [Mr. STUMP] for their quick action and leadership in bringing this bill to the floor. This bill, in essence, gives priority care to the gulf war veterans as the military and the VA medical community set the diagnostic criteria, and at the same time allows us to continue the oversight responsibilities of the gulf war illness.

I strongly urge my colleagues to support this legislation so that those who served this Nation in a time of crisis can receive the health care they deserve.

I also note and appreciate with great distinction the gentlewoman from Colorado [Mrs. SCHROEDER] for her Subcommittee on Research and Technology of the Committee on Armed Services, to include legislation that would have the testing of multiple chemical sensitivity on an environmental unit that will allow and push the bounds of medical science, which is extremely important, since we have tens of thousands of gulf war veterans out there, and ensure that it will be gender and racial coded.

Mr. MONTGOMERY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, I would also like to thank you, as the chairman of the Subcommittee on Research that helped us on the Committee on Armed Services so we could move ahead with testing. I just want to say, thank you very much.

Madam Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. KENNEDY], a member of both the committee and the subcommittee.

The SPEAKER pro tempore. The Chair also wants to thank both of the Members for helping with that study.

Mr. KENNEDY. Madam Speaker, I rise in strong support of H.R. 2535, legislation to provide priority health care to the brave men and women who served our Nation in the Persian Gulf war. This legislation is the first part of a comprehensive legislative package I have introduced with several colleagues of the Committee on Veterans' Affairs to address the immediate health care needs of Persian Gulf veterans and needed research on the health effects of exposure to multiple chemicals and toxic substances, and to depleted uranium in the gulf war. Our next step must be passage of these two research initiatives which are pending as part of the Department of Defense authorization bill.

I would like to recognize the leadership of Representatives LANE EVANS,

BOB CLEMENT, STEVE BUYER, and LUIS GUTIERREZ in this truly bipartisan effort. I would also like to thank Chairman MONTGOMERY and Subcommittee on Hospitals and Health Care Chairman ROWLAND for expediting consideration of this legislation.

Literally, thousands of former Persian Gulf troops are reporting a number of serious and often disabling illnesses. Over 6,125 have been tracked by the Persian Gulf Registry. They were exposed to a unique array of environmental hazards and chemical agents administered by the Department of Defense including: petrochemicals, depleted uranium, vaccines, pesticides, and parasites. Under this legislation, Persian Gulf veterans are given the benefit of the doubt. They will be eligible for hospital, nursing home, and outpatient care at the VA for illnesses that may have resulted from exposures to toxic substances and other environmental hazards while serving in the gulf.

The Clinton administration and Secretary of Veterans Affairs Jesse Brown have come a long way in recognizing the severity of this problem—from the previous administration's attempt to sweep the health care concerns of Persian Gulf veterans under the carpet and dismiss them as "all in veterans' heads."

But, there are still some wrinkles in the carpet. For this policy to work, it must be implemented by all of VA's medical centers and clinics. Recent, troubling accounts from the Houston Medical Center—one of only three special referral centers set up in the Nation to treat complex Persian Gulf cases—reveal that the VA is currently not making the grade. For the chief of staff of the Houston Referral Center—designed especially for Persian Gulf veterans—to write off their physical illnesses with ridicule is absolutely unacceptable.

Now, the VA must fulfill their mission—to take veterans health concerns seriously, and to respond to them accordingly. After all, the Department of Veterans Affairs was created for veterans and is charged with providing an atmosphere where veterans feel they can seek the health care to which they are entitled.

Lessons learned from the Vietnam experience instruct us that we must move forward to address the full range of health consequences that resulted from serving in the gulf. Last week's release of the National Academy of Sciences report on agent orange reinforces that the decades of Government indifference with respect to Vietnam vets and exposure to agent orange must not be repeated and will not be tolerated.

The urgent health care needs of the men and women who served our country so honorably in the gulf demand our immediate action. This legislation

provides the framework for Persian Gulf war veterans to get the critical medical care they deserve. I urge my colleagues to support this important bill.

□ 1320

Mr. BUYER. Madam Speaker, will the gentleman yield?

Mr. KENNEDY. I yield to the gentleman from Indiana.

Mr. BUYER. Madam Speaker, I want to congratulate the gentleman from Massachusetts [Mr. KENNEDY] for breaking through tremendous barriers at a time when nobody would seek recognition of the problem. The gentleman stepped forward, along with the gentleman from Illinois [Mr. EVANS] and the gentleman from New Jersey [Mr. SMITH] and the gentleman from Massachusetts in particular.

Madam Speaker, why this is so important is, the gentleman is absolutely right. It shows how bipartisan effort can work to move a cause forward. What happened and what we have done here is set a tone for gulf war veterans throughout the world, because other countries were not recognizing gulf war illnesses. Now, all of a sudden, we have stepped forward and move forward.

Now, 3 weeks ago, Great Britain recognized it. And as of last week, last Friday, Prague of Czechoslovakia, the Ministry of Defense have recognized gulf war illnesses.

Madam Speaker, I would like to congratulate the gentleman from Massachusetts [Mr. KENNEDY].

Mr. STUMP. Madam Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS of Alabama. Madam Speaker, I rise today in support of H.R. 2535. This legislation is an important step in recognizing the fact that some soldiers who served in Operation Desert Shield/Desert Storm have been exposed to environmentally hazardous materials that have produced long-term effects.

In this regard, I would like to share with the Members of this Congress the fact that my hometown newspaper, the Birmingham News, recognized early on that some of the veterans living in and around Birmingham had health problems so severe that they were unable to work. Their indepth investigation not only raised public awareness; it also alerted me to the desperate plight of many Alabama veterans. As a result of their work, many of these same veterans traveled to Washington and shared their experiences with the oversight committee.

Last week, the House Committee on Veterans' Affairs unanimously passed this legislation, which gives veterans who manifest conditions related to their service in the gulf priority treatment within the VA system.

I am proud to say that I am a cosponsor of this legislation.

I want to commend Mr. ROWLAND for his leadership in this matter; the gentleman from Illinois [Mr. EVANS], who I, as the ranking Republican present, had the opportunity to work with at the oversight committee hearings; and the gentleman from Mississippi [Mr. MONTGOMERY].

As a Republican, I am especially proud of my colleagues the gentleman from Indiana [Mr. BUYER], who himself gave such strong and convincing testimony; the gentleman from New Jersey [Mr. SMITH]; and the ranking minority member, the gentleman from Arizona [Mr. STUMP]. I consider it a privilege to have worked with them on this side of the aisle.

The gentleman from Indiana [Mr. BUYER] has correctly stated that it was a real show of bipartisan concern by our entire committee.

But our task is not over. To ensure the successful treatment of these veterans, the VA, the Department of Defense, the medical community, and this Congress must not only continue to recognize the urgency of this situation, but also to join together in providing these veterans continued adequate care and treatment.

This cooperation and willingness to work together, we found, is absolutely essential and must continue.

There is no excuse for allowing these veterans, who have so valiantly risked life and limb in service to our country, to have their service-connected illness ignored or their treatment delayed.

Rest assured, the Committee on Veterans' Affairs will continue to encourage an open dialog on this issue and support any further legislative initiatives which may be necessary to address the health care problems of these veterans.

Again, I would like to commend and tell my fellow Members of the Committee on Veterans' Affairs how proud I am of them for their work in this matter.

Mr. MONTGOMERY. Madam Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. CLEMENT], who is also a sponsor of this legislation. I want to thank him for the help he gives us on the full committee.

Mr. CLEMENT. Madam Speaker, I also applaud our chairman of the Committee on Veterans' Affairs. As the only Tennessee Congressman on the Committee on Veterans' Affairs, I wish to note how responsive this committee is and how Democrats and Republicans alike work together as a cohesive team. We surely do not have gridlock in the Committee on Veterans' Affairs. This legislation is important to all of us, providing health care for Persian Gulf veterans that deserve health care.

I rise in strong support of H.R. 2535 and urge my colleagues to support this legislation.

Madam Speaker, our committee heard testimony from veterans suffer-

ing from symptoms they believe are linked to their service in the gulf, testimony from officials with the Department of Veterans Affairs, and testimony from outside medical experts. In addition, I have researched another 70 cases. Based on this information, I can reach no other conclusion but that the maladies these individuals are complaining of are real.

More than 72,000 veterans have visited the VA since their return home from the gulf. Of these 72,000 only 6,000 exams have been recorded in the Persian Gulf Registry data base. When comparing these numbers it is apparent that there has been a breakdown somewhere. One explanation could be that since there is no identifiable cause or diagnosis and thus no service connection, VA doctors have been caught in a quagmire.

Madam Speaker, I want to reiterate that this legislation was requested by the Department of Veterans Affairs and is needed to ensure that the VA has the legal authority to treat veterans of the Persian Gulf experiencing the mysterious ailments. It is my hope that giving the VA this additional authority will not only ensure that the veterans receive treatment but will eliminate the quagmire confronting VA physicians and result in a more accurate assessment of the situation.

This bill before us today is the product of a highly productive, bipartisan discussion on the Clement and Evans bills. It is not a bill to end all, but it will allow the suffering veterans to receive treatment while research is conducted into the cause of their ailments.

For my colleagues concerned about malingerers, let me assure you that H.R. 2535 states that eligibility is dependant on a determination that the symptoms experienced by the veteran must be reasonably connected to service in the gulf. This is not a catchall. These veterans are sick. They are not asking for a hand out. They simply want to receive the care that they are entitled to as a veteran.

Madam Speaker, allow me to express my appreciation to Chairman MONTGOMERY, Mr. ROWLAND, and Mr. STUMP, the ranking member of the committee, and the gentleman from New Jersey [Mr. SMITH], the ranking member on the subcommittee. I am thankful for their willingness to move this bill expeditiously and to work with Mr. EVANS, Mr. KENNEDY, and myself to ensure that this bill is reflective of our views.

In addition, Madam Speaker, I want to recognize the contribution of Mr. GUTIERREZ and Mr. BUYER. Though both are new to this body they have already contributed greatly to the quality of debate within the committee. In particular, I want to commend Mr. BUYER and the other veterans who appeared before the committee. It took tremendous courage to face the skeptics. I am convinced we would not be

here if it had not been for their emotional and moving testimony.

Madam Speaker, there is an immediate need for this legislation and I urge my colleagues to support this bill.

□ 1340

Mr. STUMP. Madam Speaker, I yield 3 minutes to the gentleman from Florida [Mr. STEARNS], a member of the Committee on Veterans' Affairs.

Mr. STEARNS. Madam Speaker, I rise in support of H.R. 2535. I want to commend Chairman MONTGOMERY and the ranking minority member, the gentleman from Arizona [Mr. STUMP], for bringing H.R. 2535, the Priority VA Health Care For Persian Gulf Veterans Act to the floor.

For the past 3 years, the Veterans' Committee has heard disturbing testimony on health problems from veterans who served in Operations Desert Shield and Desert Storm.

A constituent of mine—Michael C. Adcock—of Ocala, FL—served in the gulf war. He suffered the symptoms many other gulf war vets have endured—persistent nausea, skin rashes, aching joints, hair loss, bleeding gums, blurred vision, lack of energy.

At 22 years of age, Michael Adcock died. It is sad enough that his life came to such an early end, but that Michael may have died from the cumulative effects of prolonged exposure to toxins during his stint in the gulf war—that would be truly tragic.

While the ground war in the gulf was over in 100 hours, many of our troops—from the national guard to active duty personnel—were stationed in-theater for months on end. They breathed the fallout from Kuwait's torched oil fields. They were exposed to radiation from rounds of depleted uranium. Some experienced reactions from vaccines, and others believed they were exposed to gas attacks.

I have read that Army Maj. Gen. Ronald Blanck—the commander of the Walter Reed Army Medical Center—said that these illnesses are not psychosomatic. In his words, "It is real, but I do not know what it is."

Madam Speaker, let us find out what caused these illnesses. Let us do that so we can avoid the same mistakes. In the meantime, let us take care of the brave men and women suffering the symptoms. They put their lives on the line once in the gulf. Now, after the shooting has stopped, their lives are at risk again. This bill begin the process. More may be required and, if so, I am sure that the committee will be the challenge.

Last year, the Veterans' Committee and the House passed legislation that established the Persian Gulf War Veterans Registry. This bill provided the necessary statutory authority for the VA to begin its physical examinations of gulf veterans, and to place those findings into a national computer

database. H.R. 2535 builds on the commitment this committee has made to our gulf war veterans.

H.R. 2535 will require the VA to provide health care on a priority basis, through September 30, 1998, to veterans who may have been exposed to toxins while on active duty in-theater during the Persian Gulf war. The bill mandates that the VA provide health care to any veterans regardless of income level who may have been exposed to toxic substances or environmental hazards while serving in the Persian Gulf war. Such care will be available for the treatment of any condition which becomes apparent before October 1, 1996, other than a condition which the VA finds to have resulted from a cause other than exposure to a toxic substance or environmental hazard, in accordance with the guidelines issued by the Under Secretary for Health.

This bill would not close the books on health problems experienced by our gulf war veterans. However, it does move in the right direction and will go a long way to deliver the health care of our service men and women deserve.

Mr. MONTGOMERY. Madam Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. GUTIERREZ], a member of the Committee on Veterans' Affairs.

Mr. GUTIERREZ. Madam Speaker, I am very pleased to be a part of this process this morning. I am glad that we have taken steps—quick steps—to deal with an issue that deserves nothing less than our full and speedy attention.

It was only a few weeks ago that some of us had the opportunity to take part in hearings chaired by the gentleman from Illinois, LANE EVANS, where we heard testimony from men and women who fought a war half way around the world, but had to fight to get the medical treatment that they deserve right here at home.

After those hearings, I felt frustration, sorrow, and even anger.

I felt this way because I heard about—and heard from—men and women who turned away a tyrant, but who were then turned away by those who were supposed to treat their wounds.

Today, I am happy that there is a way to address those problems, through the passage of H.R. 2535.

Madam Speaker, this past memorial day and Fourth of July, we all had the opportunity to visit grand monuments and simple headstones that pay tribute to those who have fought for us in battle long ago.

Let us keep in mind that not all of our heroes fought long ago—for some, the soldiers of Desert Shield and Desert Storm, the battle ended recently. Some, in fact, still wear the uniform.

These recent heroes—today's heroes—are heroes just the same.

And while we justifiably build quiet monuments of stone to honor some

wars, today we have the opportunity to honor these soldiers with a tribute more fitting to their particular needs. We can honor them—we must honor them—by giving them hope and by giving them action.

That is what passage of H.R. 2535 means to me. And that is what it means to the veterans of the United States.

I am glad to have had the opportunity to participate in the passage of this legislation, and glad to have worked with several Members who have led us to this timely action today: Chairman MONTGOMERY; Dr. ROWLAND, chair of the Hospitals and Healthcare Subcommittee; my friend LANE EVANS, chair of the Subcommittee on Oversight; and Mr. KENNEDY; Mr. CLEMENT; and Mr. BUYER.

I know firsthand that the veterans of the Fourth District appreciate the work that we have done.

Mr. STUMP. Madam Speaker, once again, I rise in strong support of H.R. 2535, and I yield back the balance of my time.

Mr. MONTGOMERY. Madam Speaker, I yield myself 30 seconds.

Madam Speaker, I hope the rest of the week we could have this bipartisan feeling that we have seen here today on this veterans legislation.

I would like to point out to my colleagues that the blue sheets here that are on the leader's table are available. They further explain the bills we have passed.

Mr. GILMAN. Madam Speaker, I am honored to rise in support of H.R. 2535, legislation that will ensure that veterans of the Persian Gulf war receive priority VA health care. I wish to commend the distinguished gentleman from Georgia [Mr. ROWLAND] for introducing this worthy legislation.

Madam Speaker, I am pleased that today, on August 2, 1993, the House of Representatives is discussing this worthwhile legislation that will benefit our American soldiers who gave so much during the Persian Gulf war. I would like to note that today, the second of August, is the anniversary of the date when our service men and women were officially called to active duty in the Persian Gulf. I believe it is therefore appropriate, that today, we are discussing legislation that will provide those, who gave so much during the Persian Gulf war, with the medical services and care that they need.

This legislation is of importance as it will authorize the Department of Veterans Affairs to provide medical treatment to any veteran who may have been exposed to harmful or even toxic substances while on active duty during the Persian Gulf war. Recently, some veterans of the gulf war have experienced unusual symptoms that have, in some cases, lead to serious illness. It is believed that these symptoms are caused by prolonged exposure to toxic substances that were prevalent during the Persian Gulf war. I am pleased to join my colleagues in support of this legislation that will provide medical compensation and benefits to an unknowing victim of the Persian Gulf war—the American soldier.

The 103d Congress, under the leadership and guidance of the Veterans' Affairs Committee has been active in ensuring that our Nation's veterans are provided with the medical service, the compensation, and the benefits that they have earned. This legislation will continue to strengthen the services that our veterans are provided.

Our sympathy and best wishes go to each and every veteran who has experienced medical problems that are associated with his or her service during the Persian Gulf war. I am hopeful that today, the second of August, the 103d Congress will continue the tradition of assisting our Nation's service men and women, by approving this legislation that will ensure that our Persian Gulf veterans receive priority health care.

Mr. BISHOP. Madam Speaker, our military service personnel answered a call from their country when they fought in the Persian Gulf war. Now it is time for us to answer the call of many of those in our Armed Forces who were exposed to toxic substances and who are now suffering a variety of illnesses. Passing H.R. 2535 will let our military personnel know, Madam Speaker, that we are not afraid to stand by them in their time of need, and that we are not afraid to do what is necessary to help them become well again. When many of the men and women who served in Operation Desert Storm returned home, Madam Speaker, the war was not over. They now are battling rashes and pain that we can't possibly imagine. I urge my colleagues on both sides of this Chamber to support this measure, Madam Speaker, to help ease the pain of worrying about medical care when they need it most.

Mr. MONTGOMERY. Madam Speaker, I yield back the balance of my time;

The SPEAKER pro tempore (Mrs. SCHROEDER). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2535, as amended.

The question was taken.

Mr. BUYER. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS ACT

Mr. BROOKS. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 454) to provide that a State court may not modify an order of another State court requiring the payment of child support unless the recipient of child support payments resides in the State in which the modification is sought, or consents to seeking the modification in such other State court, as amended.

The Clerk read as follows:

H.R. 454

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Full Faith and Credit for Child Support Orders Act".

#### SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—  
(1) there is a large and growing number of child support cases annually involving disputes between parents who reside in different States;

(2) the laws by which the courts of these jurisdictions determine their authority to establish child support orders are not uniform;

(3) those laws, along with the limits imposed by the Federal system on the authority of each State to take certain actions outside its own boundaries

(A) encourage noncustodial parents to relocate outside the States where their children and the custodial parents reside to avoid the jurisdiction of the courts of such States, resulting in an increase in the amount of interstate travel and communication required to establish and collect on child support orders and a burden on custodial parents that is expensive, time consuming, and disruptive of occupations and commercial activity;

(B) contribute to the pressing problem of relatively low levels of child support payments in interstate cases and to inequities in child support payments levels which are based solely on the noncustodial parent's choice of residence;

(C) encourage a disregard of court orders resulting in massive arrearages nationwide;

(D) allow noncustodial parents to avoid the payment of regularly scheduled child support payments for extensive periods of time, resulting in substantial hardship for the children for whom support is due and for their custodians; and

(E) lead to the excessive relitigation of cases and to the establishment of conflicting orders by the courts of various jurisdictions, resulting in confusing, waste of judicial resources, disrespect for the courts, and a diminution of public confidence in the rule of law; and

(4) among the results of these conditions is the failure of the courts of the States to give full faith and credit to the judicial proceedings of the other States, the deprivation of rights of liberty and property without due process of law, burdens on commerce among the States, and harm to the welfare of children and their parents and other custodians.

(b) STATEMENT OF POLICY.—For the reasons set forth in subsection (a), it is necessary to establish national standards under which the courts of different States will determine their jurisdiction to issue a child support order and the effect to be given by each State to child support orders issued by the courts of other States.

(c) PURPOSES.—The purposes of this Act are to—

(1) facilitate the enforcement of child support orders among the States;

(2) discourage continuing interstate controversies over child support in the interest of greater financial stability and secure family relationships for the child; and

(3) avoid jurisdictional competition and conflict among State courts in the establishment of child support orders.

#### SEC. 3. FULL FAITH AND CREDIT GIVEN TO CHILD SUPPORT ORDERS.

(a) IN GENERAL.—Chapter 115 of title 28, United States Code, is amended by inserting after section 1738A the following new section:

"§ 1738B. Full faith and credit given to child support orders

"(a) GENERAL RULE.—The appropriate authorities of each State shall enforce accord-

ing to its terms, and shall not modify except as provided in subsection (e), any child support order made consistently with the provisions of this section by a court of another State.

"(b) DEFINITIONS.—As used in this section, the term—

"(1) 'child' means any person under the 18 years of age, and includes an individual 18 or more years of age for whom a child support order has been issued pursuant to the laws of a State;

"(2) 'child's State' means the State in which a child currently resides;

"(3) 'child support order' means a judgment, decree, or order of a court requiring the payment of money, or the provision of a benefit, including health insurance, whether in periodic amounts or lump sum, for the support of a child and includes permanent and temporary orders, initial orders and modifications, ongoing support, reimbursements, and arrearages;

"(4) 'child support' means a payment of money or provision of a benefit described in paragraph (3) for the support of a child;

"(5) 'contestant' means a person, including a parent, who claims a right to receive child support or is under a child support order, and the term 'contestant' includes States and political subdivisions to whom the right to obtain child support has been assigned;

"(6) 'court' means a court or administrative agency of a State which is authorized by State law to establish the amount of child support payable by a contestant or modify the amount of child support payable by a contestant;

"(7) 'modification' and 'modify' refer to a change in a child support order which affects the amount, scope, or duration of such order and modifies, replaces, supersedes, or otherwise is made subsequent to such child support order, whether or not made by the same court as such child support order; and

"(8) 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, and Indian country as defined in section 1151 of title 18.

"(c) REQUIREMENTS OF CHILD SUPPORT ORDERS.—A child support order made by a court of a State is consistent with the provisions of this section only if—

"(1) such court, pursuant to the laws of the State in which such court is located, had jurisdiction to hear the matter and enter such an order and had personal jurisdiction over the contestants; and

"(2) reasonable notice and opportunity to be heard was given to the contestants.

"(d) CONTINUING JURISDICTION.—A court of a State which has made a child support order consistently with the provisions of this section has continuing, exclusive jurisdiction of that order when such State is the child's State or the residence of any individual who is a contestant unless another State, acting in accordance with subsection (e), has modified that order.

"(e) AUTHORITY TO MODIFY ORDERS.—A court of a State may modify a child support order with respect to a child that is made by a court of another State, if—

"(1) it has jurisdiction to make such a child support order; and

"(2) the court of the other State no longer has continuing, exclusive jurisdiction of the child support order because such State no longer is the child's State or the residence of any individual who is a contestant, or each contestant has filed written consent for the State to modify the order and assume continuing, exclusive jurisdiction of such order.

"(f) ENFORCEMENT OF PRIOR ORDERS.—A court of a State which no longer has continuing, exclusive jurisdiction of a child support order may enforce such order with respect to nonmodifiable obligations, and with respect to unsatisfied obligations which accrued before the date on which a modification of such order is made under subsection (e)."

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 115 of title 28, United States Code, is amended by inserting after the item relating to section 1738A the following:

"1738B. Full faith and credit given to child support orders."

#### SEC. 4. DEFINITION.

As used in section 2, the term "State" has the meaning given that term in section 1738B(b) of title 28, United States Code, as added by section 3 of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 20 minutes, and the gentleman from Virginia [Mr. GOODLATTE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 454, the Full Faith and Credit for Child Support Orders Act.

H.R. 454 requires the authorities of each State to enforce—without modification—the child support orders of sister States, except in limited circumstances. There are two circumstances where modification by another State are in order. One is where none of the parties nor the child reside any longer in the State that issued the original order. The other is where all the parties to a child support order of one State consent to the exercise of jurisdiction by another State.

Madam Speaker, this bill helps to address the serious problem of parents who move to other States and then try to get out of their child support obligations through the use of the courts of their new State. The statistics in interstate child support cases are telling—indeed, they are tragic—with only \$1 collected out of every \$10 owed to the children and their custodial parents.

I want to compliment the gentleman from Texas [Mr. BRYANT], who chairs the Judiciary Committee's Subcommittee on Administrative Law and Governmental Relations, for his good work on the bill. I also compliment the gentleman from Massachusetts [Mr. FRANK] for introducing this bill and being such an ardent supporter in its behalf.

H.R. 454 is an important piece of legislation for children and for families, and I urge the Members to cast their votes in support of it.

Madam Speaker, I reserve the balance of my time.

Mr. GOODLATTE. Madam Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 454.

This legislation will be of considerable importance in responding to the problem created when State courts modify the child support order of different States. This occurs at the petition of one of the spouses, usually the noncustodial parent, and its effect is to undercut the entire child support system.

The Constitution requires States to give full faith and credit to the "acts, records and judicial proceedings" of other States—article IV, section 1. This has, however, been construed not to apply to orders for future child support payments because these are not considered final for purposes of full faith and credit. As a result, a parent who leaves a State where a child support order has been entered can seek to have that order modified in the new State of his or her domicile. This creates myriad problems for the efficiency of the child support payment structure, ranging from problems inherent in locating delinquent parents to the difficulty in coordinating the court systems of the different States.

H.R. 454 adopts in essence a proposal of the U.S. Commission on Interstate Child Support that full faith and credit be extended to orders for child support. The bill sets out the requirements that a court must adhere to in entering its original order and prescribes the conditions another State must satisfy before modifying that order—conditions assuring that both parties are participatory.

This bill was passed by the House under suspension during the 102d Congress, too late, unfortunately, for Senate action.

Madam Speaker, I urge my colleagues to support this legislation.

□ 1440

Mr. BROOKS. Madam Speaker, I yield 2 minutes to the distinguished gentleman from Massachusetts [Mr. FRANK], author of the bill.

Mr. FRANK of Massachusetts. Madam Speaker, I appreciate the leadership the chairman has shown and the bipartisan support we have had. The gentleman from Virginia, who has been the ranking minority member of the committee, has been very constructive, and the gentleman from Texas who chairs the subcommittee.

The bill has been well explained. I just want to add one thought about its history.

This bill came about because last summer a woman named Susan Riley, who lived in my district in Massachusetts, wrote to me to tell me that she had been the victim of an out-of-State court action reducing the child support to which she was entitled, with adverse economic consequences.

Based on that letter, I began consultations with my colleagues, and that is why we are here today. I cite that because I would like people to un-

derstand that this system does work when it is dealt with appropriately. Here was a case of a woman who was aggrieved. She had a very legitimate concern. She brought it to our attention, and frankly, within a year of her having brought that to our attention we are in the process of sending a bill over to the other body, and I believe it has the sponsorship of the junior Senator from Illinois as well as support from others. I think it is going to become law.

So I want to thank those who have helped us get to this point. This is a very appropriate use of the Federal Government's power to protect children. It is not interfering in any State's right to make judicial decisions about its own legitimate issues. It is saying if you bring a child into the world, the State where that child is living, where the court order was issued, that should govern.

It is a reasonable proposal. I thank my colleagues for their support.

Mrs. KENNELLY. Madam Speaker, I would like to lend my support to H.R. 454, the Full Faith and Credit for Child Support Orders Act. This is an important step toward ensuring that children who deserve and need child support get the assistance they need.

Requiring States to recognize and enforce support orders issued by other States will help to restrict the ability of individuals to avoid payments by moving across State lines.

As a member of the U.S. Commission on Interstate Child Support, I have been most involved with this issue over the past several years. I support this effort we have before us today, and I hope that this is just the first step in our attempt to modify the current child support system.

Mr. GOODLATTE. Mr. Speaker, I urge adoption of the bill, and I yield back the balance of my time.

Mr. BROOKS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Texas [Mr. BROOKS] that the House suspend the rules and pass the bill, H.R. 454, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members shall have 5 legislative days to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

# UTAH SCHOOLS AND LANDS IMPROVEMENT ACT OF 1993

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 184) to provide for the exchange of certain lands within the State of Utah, and for other purposes, as amended.

The Clerk read as follows:

S. 184

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

This Act may be cited as the "Utah Schools and Lands Improvement Act of 1993".

## SEC. 2. UTAH-NAVAJO LAND EXCHANGE.

(a) ADDITIONS TO RESERVATION.—For the purpose of securing in trust for the Navajo Nation certain lands belonging to the State of Utah, which comprise approximately thirty-eight thousand five hundred acres of surface and subsurface estate, and approximately an additional nine thousand five hundred acres of subsurface estate, as generally depicted on the map entitled "Utah-Navajo Land Exchange", dated May 18, 1992, such lands are hereby declared to be part of the Navajo Indian Reservation in the State of Utah effective upon the completion of conveyance from the State of Utah and acceptance of title by the United States.

(b) AUTHORIZATION.—The Secretary of the Interior is authorized to acquire through exchange those lands and interests in land described in subsection (a) which are owned by the State of Utah, subject to valid existing rights.

## SEC. 3. STATE LANDS WITHIN THE GOSHUTE INDIAN RESERVATION.

(a) ADDITIONS TO RESERVATION.—For the purpose of securing in trust for the Goshute Indian Tribe certain lands belonging to the State of Utah, which comprise approximately nine hundred eighty acres of surface and subsurface estate, and an additional four hundred and eighty acres of subsurface estate, as generally depicted on the map entitled "Utah-Goshute Land Exchange", dated May 18, 1992, such lands are hereby declared to be part of the Goshute Indian Reservation in the State of Utah effective upon the completion of conveyance from the State of Utah and acceptance of title by the United States.

(b) AUTHORIZATION.—The Secretary of the Interior is authorized to acquire through exchange those lands and interests in land described in subsection (a) which are owned by the State of Utah, subject to valid existing rights.

(c) OTHER LAND.—(1) The following tract of Federal land located in the State of Nevada, comprising approximately five acres more or less, together with all improvements thereon, is hereby declared to be part of the Goshute Indian Reservation, and shall be held in trust for the Goshute Indian Tribe: Township 30 North, Range 69 East, lots 5, 6, 7, 9, 11, and 14 of section 34.

(2) No part of the lands referred to in paragraph (1) shall be used for gaming or any related purpose.

## SEC. 4. IMPLEMENTATION.

The exchanges authorized by sections 2 and 3 of this Act shall be conducted without cost to the Navajo Nation and the Goshute Indian Tribe.

## SEC. 5. STATE LANDS WITHIN THE NATIONAL FOREST SYSTEM.

(a) AUTHORIZATION.—The Secretary of Agriculture is authorized to accept on behalf of

the United States title to the school and institutional trust lands by the State of Utah within units of the National Forest System, comprising approximately seventy-six thousand acres as depicted on a map entitled "Utah Forest Land Exchange", dated May 18, 1992.

(b) STATUS.—Any lands acquired by the United States pursuant to this section shall become a part of the national forest within which such lands are located and shall be subject to all the laws and regulations applicable to the National Forest System.

## SEC. 6. STATE LANDS WITHIN THE NATIONAL PARK SYSTEM.

(a) AUTHORIZATION.—The Secretary of the Interior is hereby authorized to accept on behalf of the United States title to all school and institutional trust lands owned by the State of Utah located within all units of the National Park System, comprising approximately eighty thousand acres, located within the State of Utah on the date of enactment of this Act.

(b) STATUS.—(1) Notwithstanding any other provision of law, all lands of the State of Utah within units of the National Park System that are conveyed to the United States pursuant to this section shall become a part of the appropriate unit of the National Park System, and shall be subject to all laws and regulations applicable to that unit of the National Park System.

(2) The Secretary of the Interior shall, as a part of the exchange process of this Act, compensate the State of Utah for the fair market value of five hundred eighty and sixty-four one-hundredths acres within Capitol Reef National Park that were conveyed by the State of Utah to the United States on July 2, 1971, for which the State has never been compensated. The fair market value of these lands shall be established pursuant to section 8 of this Act.

## SEC. 7. OFFER TO STATE.

(a) SPECIFIC OFFERS.—Within thirty days after enactment of this Act, the Secretary of the Interior shall transmit to the State of Utah a list of lands, or interests in lands, within the State of Utah for transfer to the State of Utah in exchange for the state lands and interests described in sections 2, 3, 5, and 6 of this Act. Such list shall include only the following Federal lands, or interests therein:

(1) Blue Mountain Telecommunications Site, fee estate, approximately six hundred and forty acres.

(2) Beaver Mountain Ski Resort site, fee estate, approximately three thousand acres, as generally depicted on the map entitled "Beaver Mountain Ski Resort" dated September 16, 1992.

(3) The unleased coal located in the Winter Quarters Tract.

(4) The unleased coal located in the Crandall Canyon Tract.

(5) All royalties receivable by the United States with respect to coal leases in the Quitchupah (Convulsion Canyon) Tract.

(6) The unleased coal located in the Cottonwood Canyon Tract.

(7) The unleased coal located in the Soldier Creek Tract.

(b) ADDITIONAL OFFERS.—(1) In addition to the lands and interests specified in subsection (a), the Secretary of the Interior shall offer to the State of Utah a portion of the royalties receivable by the United States with respect to Federal geothermal, oil, gas, or other mineral interests in Utah which on December 31, 1992, were under lease and covered by an approved permit to drill or plan of development and plan of reclamation, were in production, and were not under administrative or judicial appeal.

(2) No offer under this subsection shall be for royalties aggregating more than 50 per centum of the total appraised value of the State lands described in sections 2, 3, 5, and 6.

(3) *The Secretary shall make no offer under this subsection which would enable the State of Utah to receive royalties under this section exceeding \$25,000,000.*

(4) If the total value of lands and interests therein and royalties offered to the State pursuant to subsections (a) and (b) is less than the total value of the State lands described in sections 2, 3, 5, and 6, the Secretary shall provide the State a list of all public lands in Utah that as of December 31, 1992, the Secretary, in resource management plans prepared pursuant to the Federal Land Policy and Management Act of 1976, had identified as suitable for disposal by exchange or otherwise, and shall offer to transfer to the State any or all of such lands, as selected by the State, in partial exchange for such State lands, to the extent consistent with other applicable laws and regulations.

## SEC. 8. APPRAISAL OF LANDS TO BE EXCHANGED.

(a) EQUAL VALUE.—All exchanges authorized under this Act shall be for equal value. No later than ninety days after enactment of this Act, the Secretary of the Interior, the Secretary of Agriculture, and the Governor of the State of Utah shall provide for an appraisal of the lands or interests therein involved in the exchanges authorized by this Act. A detailed appraisal report shall utilize nationally recognized appraisal standards including, to the extent appropriate, the uniform appraisal standards for Federal land acquisition.

(b) DEADLINE AND DISPUTE RESOLUTION.—(1) If after two years from the date of enactment of this Act, the parties have not agreed upon the final terms of some or all of the exchanges authorized by this Act, including the value of the lands involved in some or all of such exchanges, notwithstanding any other provisions of law, any appropriate United States District Court, including but not limited to the United States District Court for the District of Utah, Central Division, shall have jurisdiction to hear, determine, and render judgment on the value of any and all lands, or interests therein, involved in the exchange.

(2) No action provided for in this subsection may be filed with the Court sooner than two years and later than five years after the date of enactment of this Act. Any decision of a District Court under this Act may be appealed in accordance with the applicable laws and rules.

(c) ADJUSTMENT.—If the State shares revenue from the selected Federal properties, the value of such properties shall be the value otherwise established under this section, less the percentage which represents the Federal revenue sharing obligation, but such adjustment shall not be considered as reflecting a property right of the State of Utah.

(d) INTEREST.—Any royalty offer by the Secretary pursuant to subsection 7(b) shall be adjusted to reflect net present value as of the effective date of the exchange. The State shall be entitled to receive a reasonable rate of interest at a rate equivalent to a five-year Treasury note on the balance of the value owed by the United States from the effective date of the exchange until full value is received by the State and mineral rights revert to the United States as prescribed by subsection 9(a)(3).

## SEC. 9. TRANSFER OF TITLE.

(a) TERMS.—(1) The State of Utah shall be entitled to receive so much of those lands or

interests in lands and additional royalties described in section 7 that are offered by the Secretary of the Interior and accepted by the State as are equal in value to the State lands and interests described in sections 2, 3, 5, and 6.

(2) For those properties where fee simple title is to be conveyed to the State of Utah, the Secretary of the Interior shall convey, subject to valid existing rights, all right, title, and interest, subject to the provisions of subsection (b). For those properties where less than fee simple is to be conveyed to the State of Utah, the Secretary shall reserve to the United States all remaining right, title, and interest of the United States.

(3) All right, title, and interest in any mineral rights described in section 7 that are conveyed to the State of Utah pursuant to this Act shall revert to the United States upon removal of minerals equal in value to the value attributed to such rights in connection with an exchange under this Act.

(4) If the State of Utah accepts the offers provided for in this Act, the State shall convey to the United States, subject to valid existing rights, all right, title, and interest of the State to all school and institutional trust lands described in sections 2, 3, 5, and 6 of this Act. Except as provided in section 7(b), conveyance of all lands or interests in lands shall take place within sixty days following agreement by the Secretary of the Interior and the Governor of the State of Utah, or entry of an appropriate order of judgment by the District Court.

(b) **INSPECTIONS.**—Both parties shall inspect all pertinent records and shall conduct a physical inspection of the lands to be exchanged pursuant to this Act for the presence of any hazardous materials as presently defined by applicable law. The results of those inspections shall be made available to the parties. Responsibility for costs of remedial action related to materials identified by such inspections shall be borne by those entities responsible under existing law.

(c) **CONDITIONS.**—(1) With respect to the lands and interests described in section 7(a), enactment of this Act shall be construed as satisfying the provisions of section 206(a) of the Federal Land Policy and Management Act of 1976 requiring that exchanges of lands be in the public interest.

(2) Development of any mineral interest transferred to the State of Utah pursuant to this Act shall be subject to all laws, rules, and regulations applicable to development of non-Federal mineral interests, including, where appropriate, laws, rules, and regulations applicable to such development within National Forests. Extraction of any coal resources described in section 7(a) shall occur only through underground coal mining operations.

#### SEC. 10. LEGAL DESCRIPTIONS.

(a) **IN GENERAL.**—As soon as practicable after the date of enactment of this Act, a map and legal description of the lands added to the Navajo and Goshute Indian Reservations and all lands exchanged under this Act shall be filed by the appropriate Secretary with the Committee on Natural Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, and each such map and description shall have the same force and effect as if included in this Act, except that the appropriate Secretary may correct clerical and typographical errors in each such legal description and map. Each such map and legal description shall be on file and available for public inspection in the offices of the Secretary of Agriculture

and the Secretary of the Interior and the Utah offices of the appropriate agencies of the Department of the Interior and Department of Agriculture.

(b) **PILT.**—Section 6902(b) of title 31, United States Code, is amended by striking "acquisition," and inserting in lieu thereof "acquisition, nor does this subsection apply to payments for lands in Utah acquired by the United States if at the time of such acquisition units, under applicable State law, were entitled to receive payments from the State for such lands, but in such case no payment under this chapter with respect to such acquired lands shall exceed the payment that would have been made under State law if such lands had not been acquired."

(c) **INTENT.**—The lands and interests described in section 7 are an offer related only to the State lands and interests described in this Act, and nothing in this Act shall be construed as precluding conveyance of other lands or interests to the State of Utah pursuant to other exchanges under applicable existing law or subsequent act of Congress. It is the intent of Congress that the State should establish a funding mechanism, or some other mechanism, to assure that counties within the State are treated equitably as a result of this exchange.

(d) **COSTS.**—The United States and the State of Utah shall each bear its own respective costs incurred in the implementation of this Act.

(e) **DEFINITION.**—As used in this Act, the term (1) "School and Institutional Trust Lands" means those properties granted by the United States in the Utah Enabling Act to the State of Utah in trust and other lands which under State law must be managed for the benefit of the public school system or the institutions of the State which are designated by the Utah Enabling Act; and (2) "Secretary" means the Secretary of the Interior; unless specifically defined otherwise.

#### SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Utah [Mr. HANSEN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

#### GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 184 is the Senate-passed companion bill to a measure introduced by my friends and colleagues on the committee, the gentleman from Utah [Mr. JIM HANSEN] and the gentleman from Utah [Ms. KAREN SHEPHERD], both members of the Committee on Natural Resources, who have worked tirelessly along with the State administration to enable us to bring this measure to the floor today.

The bill which passed the Senate was similar but not identical to a version sponsored by our former colleague from Utah, Mr. OWENS, that the House in fact passed late last year, and we bring it to the floor today.

Principally the bill includes amendments adopted in the Committee on Natural Resources that are intended to bridge the differences between the 1992 bill and the bill the Senate passed last month. There was not time, even though we had passed this last year, to conclude action on it in the 102d Congress.

Principally what the bill does is deal with a mixed land ownership pattern in the State of Utah that grows out of its earliest history in terms of becoming a State. There is a significant amount of land that is transferred to the State of Utah for the support of schools and for other purposes. What this bill does is try to rationalize and trade off so we could have competent management by the national land management agencies and the State of Utah of some of the lands which have this mixed pattern of ownership.

There is a long history to it, and I am certain that my colleagues from Utah on the committee, Mr. JIM HANSEN and Ms. KAREN SHEPHERD, will explain that. But essentially what it does is exchanges about 202,000 acres of land, both surface and subsurface lands which are in national parks, they are in national forests, and some are in native American lands, Indian reservations which exist in the great State of Utah.

So what happens in return is the National Government offers lands, it offers various types of high-value sites that would be compatible, and would not again replicate the problem of mixed land ownership patterns that we are trying to resolve. And finally, it would offer some minimal leases and/or royalty payments from active leases in the State of Utah.

It does provide a mechanism to come to a common understanding with regards to the value of the lands that are being exchanged, and provides for a court action in the event that the parties themselves cannot agree.

As I said, there is a long history to this, but this should clear up the problem for the Forest Service, for the Park Service lands and for the native American lands in the State of Utah. So it is a big step forward.

I commend the bill to my colleagues and thank my colleagues from the State of Utah for their work on this matter.

Mr. Speaker, S. 184 is the Senate-passed companion bill to a measure introduced by Representatives HANSEN and SHEPHERD of Utah, both members of the Natural Resources Committee, who have worked tirelessly, along with the State administration, to enable us to bring it to the floor today.

As passed by the Senate, the bill was similar but not identical to a version, sponsored by

our former colleague from Utah, Mr. Owens, that the House passed last year. As we bring it to the floor today, the bill includes amendments adopted in the Natural Resources Committee that are intended to bridge the differences between the 1992 House bill and the bill the Senate passed last month.

The bill provides for transfer to the National Government of more than 202,600 acres of State-owned lands and minerals located within Utah units of the National Park and National Forest Systems and Indian reservations, in return for which the State will receive equal value in the form of a mix of specified lands, minerals, and an increased share of the royalties from existing, producing Federal mineral leases in Utah.

The Natural Resources Committee adopted an amendment which would provide a lower limit on such additional revenue sharing than would have been permitted under the Senate-passed bill.

The bill is called the Utah Schools and Lands Improvement Act because the transfers to the State will benefit the school trust established at the time of Utah's statehood and because the bill addresses land-management problems that have their roots in the history of the American people's public domain.

Mr. Speaker, the current pattern of land ownership in Utah, as in other Western States, leaves much to be desired. The National Government granted more than 7.5 million acres of land to the new State of Utah at the time of its admission to the Union. These grants were intended to promote economic development and, through the largest of the several grants to the State, to benefit Utah's public schools.

Unfortunately, because the grants were based on the arbitrary straight lines of surveyors rather than on topography or other characteristics of the land, the result has been to fragment land ownership patterns in ways that present difficult problems for all concerned, especially for those responsible for managing the lands held by the State and National Governments.

More than 10 years ago, under the leadership of Utah's former Governor, the late Scott Matheson, the State government developed a proposal—known as Project Bold—for broad-scale adjustment of the land-ownership pattern in Utah through the exchange of State lands for lands held by the National Government on behalf of the American people. While legislation was introduced to facilitate such a large-scale adjustment of ownership, after Governor Matheson's retirement from office, the State administration decided to try to implement administrative exchanges instead, rather than seek new legislation.

However, that attempt was unsuccessful, primarily because there was no mutually acceptable method to resolve disagreements between the State and National administrations about the values to be assigned to the lands and interests proposed for exchange.

Last year, the State and the National administration did reach agreement on the outline of a legislative proposal. The bill now before the House, like the bill the House passed last year, reflects that proposal.

The bill requires appraisal of all the lands and interests to be exchanged, and provides

that disagreements over valuation can be resolved through judicial action in Federal court. The purpose is to keep such disagreements from frustrating completion of the overall exchange, by assuring that once an issue of valuation has been referred to the courts, unless they agree to a settlement, both the United States and the State of Utah will be committed to accept a final judicial decision on that issue.

Mr. Speaker, the bill is explained in more detail in the report of the Committee on Natural Resources, so I will conclude by saying that this is a very significant measure and by again expressing my appreciation for the hard work of the gentleman from Utah [Mr. HANSEN], and the leadership of the gentlewoman from Utah [Mrs. SHEPHERD], on this bill—a bill that honors the memory of Governor Matheson, a bill that is in the interest both of the State of Utah and the National Government, and a bill that deserves the approval of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I appreciate my friend and chairman of the committee, the gentleman from Minnesota [Mr. VENTO] for all of the help he has given us on this particular piece of legislation.

Mr. Speaker, I rise today in support of S. 184, the Utah school trust lands bill. The idea behind this legislation began in the early 1970's and it was my good friend Gov. Scott Matheson who provided the foresight and the courage to propose what was then called Project BOLD. Governor Matheson's idea was to make Utah's land ownership more manageable through extensive land exchanges. Finally, in 1984, I introduced this legislation and we have been working diligently ever since to perfect it and to reach a consensus. Although the school trust lands involved in S. 184 are but a portion of the original Project BOLD, I thank the late Governor Matheson and this legislation is a tribute to his leadership.

S. 184 is vitally important to the children of Utah and the future of our State. Although Utah spends nearly half of its annual budget on educating our youth, our children are last in expenditures per pupil. This continually growing problem is due in large part to the State's inability to reap the benefits of the State school trust lands that are land locked by Federal reservations. In fact, Utah receives less income from its school trust lands than any other Western State. We believe S. 184 will cure this problem and provide a secure future for our educational system.

Mr. Speaker, S. 184 is not perfect in everyone's eyes but it does represent compromise by many divergent groups. I would like to thank the many people who have helped bring this legislation this far, including former Senator Jake Garn, former Governor Bangeter, current Governor Leavitt, Congresswoman

SHEPHERD, Congressman ORTON and Senators HATCH and BENNETT. I urge my colleagues' support of S. 184.

Mr. Speaker, I reserve the balance of my time.

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Mr. VENTO. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Utah [Ms. SHEPHERD], one of the principal architects of this legislation.

Ms. SHEPHERD. Mr. Speaker, I appreciate this opportunity to speak in support of the Utah Schools and Lands Improvement Act of 1993. First, I would like to thank the chairman for his instrumental help in bringing this bill to the floor today.

There are many who have worked tirelessly on this issue and who have brought a spirit of optimism and collaboration to a process that frequently is lacking in these qualities. A broad-based coalition came together last year under the leadership of my predecessor, Wayne Owens, Congressman HANSEN, and continued this year with representatives from Utah's congressional delegation, Gov. Mike Leavitt's office, Attorney General Jan Graham's office, the environmental community, the Utah Education Association and local government. This group has successfully crafted a bill that enjoys wide bipartisan support and will result in real money for Utah's schoolchildren.

Because about 66 percent of the land in Utah is owned by the Federal Government, this leaves only about one-third available to develop an economic base to help support our schools. It is because of this fact that the school trust lands are so very important to the schoolchildren of Utah. In Utah there is no fat to trim. There is no waste to cut. There is no other source to look to. Utah already makes the greatest financial effort of any State to fund education, spending half of the State's annual budget, including 100 percent of its income tax, on the classroom. Still it falls last among the 50 States in per capita student funding. Our bottom line is inescapable. We have a narrow tax base and a lot of children. Generating funds from Utah's school trust lands is of critical importance to us.

The bill that we have before us takes a giant step toward resolving the problem. In exchange for the State school trust lands within all of Utah's national parks as well as some lands within national forests and Indian reservations, Utah will select from a specific menu of lands and interests in order to receive full compensation for the appraised value of the lands.

Only 200,000 acres out of more than 3 million possible acres of State school lands are involved in this exchange. Clearly, this bill is just one of many steps we must make to fulfill the promise the Federal Government made when

the lands were originally granted to the State. Undoubtedly, there are other ways to receive value for State school lands in Utah, but what we have done here in this bill will work, and without delay, to bring money into the State school trust as soon as possible. All of Utah's schoolchildren—from San Juan County in the canyons of southern Utah to Salt Lake County in the urban north—will benefit from this infusion of many millions of dollars to the schools.

In addition, passage of this bill will mean better and more consistent management of Utah's natural lands. It will mean that the next generations of children from all of the United States and the rest of the world will have these outdoor classrooms to learn from and enjoy. The threat of inappropriate development within Utah's national parks will be gone and this bill will serve as a precedent for future agreements addressing remaining inholdings on public land. Most of all, passage of this bill will make possible partial realization of the promise offered by the Federal Government at the time of statehood—that these lands are for the support of Utah's schools.

Mr. Speaker, Utah has waited a long time for a solution to this perplexing dilemma. I look forward to final passage for this bill today.

Mr. HANSEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, this is a good bill. It deserves to be passed. I commend the sponsors.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 184, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### ATLANTIC COASTAL FISHERIES COOPERATIVE MANAGEMENT ACT OF 1993

Mr. STUDDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2134) to improve the conservation and management of interjurisdictional fisheries along the Atlantic coast by providing for greater cooperation among the States in implementing conservation and management programs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2134

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Atlantic Coastal Fisheries Cooperative Management Act of 1993".

#### SEC. 2. STATE-FEDERAL COOPERATION IN ATLANTIC COASTAL FISHERIES MANAGEMENT.

(a) FEDERAL SUPPORT FOR STATE COASTAL FISHERIES PROGRAMS.—The Secretaries shall develop and implement a program to support the fisheries management programs of the Commission. The program shall include elements to support and enhance State cooperation in—

- (1) collection, management, and analysis of fisheries data;
- (2) law enforcement;
- (3) habitat conservation;
- (4) fisheries research, including biological and socioeconomic research; and
- (5) fishery management planning.

(b) FEDERAL REGULATIONS PERTAINING TO AN ATLANTIC OCEAN FISHERY COVERED BY AN INTERSTATE FISHERY MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary, after consultation with the Councils having jurisdiction over fisheries to which an interstate fishery management plan applies, may prescribe regulations to govern fishing in the exclusive economic zone that are necessary to support the effective implementation of the interstate fishery management plan adopted for a fishery for which no Federal fishery management plan is in effect. These regulations may include measures recommended by the Commission that are necessary to support the provisions of the interstate fishery management plan for that fishery.

(2) SUPERSEDING REGULATIONS.—Regulations issued by the Secretary to implement a Federal fishery management plan for a fishery shall supersede regulations issued by the Secretary under this section for that fishery.

(3) ENFORCEMENT.—The provisions of sections 307, 308, 309, 310, and 311 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857, 1858, 1859, 1860, and 1861) regarding prohibited acts, civil penalties, criminal offenses, civil forfeitures, and enforcement shall apply with respect to regulations prescribed under this section.

#### SEC. 3. ADOPTION AND IMPLEMENTATION OF INTERSTATE FISHERY MANAGEMENT PLANS.

(a) ADOPTION OF PLANS.—

(1) IN GENERAL.—The Commission shall prepare and adopt fishery management plans or amendments to fishery management plans in accordance with this section to provide for the conservation and management of coastal fishery resources.

(2) CONSULTATION.—In preparing a fishery management plan or amendment, the Commission shall consult with the appropriate Councils to determine ways Federal fishery management plans and interstate fishery management plans may complement each other.

(3) CONTENTS.—Each fishery management plan or amendment prepared under this subsection shall—

- (A) contain information regarding the status of the coastal fishery resources and fisheries covered by the plan or amendment;
- (B) identify each State that is required to implement and enforce the plan or amendment;
- (C) specify actions to be taken by States to implement and comply with the plan or amendment; and
- (D) recommend actions for the Secretary to take in the exclusive economic zone to conserve and manage the fishery resources

and fisheries covered by the plan or amendment.

(4) TIME FRAME FOR IMPLEMENTATION AND ENFORCEMENT BY STATES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), a State that is identified in an interstate fishery management plan pursuant to paragraph (3)(B) shall implement and enforce the plan within the time established in the plan.

(B) EXISTING PLANS.—Not later than 90 days after the date of the enactment of this Act, the Commission shall develop a schedule for States to implement and enforce of interstate fishery management plans adopted by the Commission before the date of the enactment of this Act. The schedule shall require each State with a declared interest in a plan to implement and enforce that plan within 1 year after the date of the enactment of this Act.

(5) ADOPTION OF STANDARDS AND PROCEDURES FOR THE PREPARATION OF INTERSTATE FISHERY MANAGEMENT PLANS.—Within 1 year after the date of enactment of this Act, the Commission shall establish standards and procedures to govern the preparation of interstate fishery management plans under this Act, including standards and procedures to ensure that—

(A) such plans promote the conservation of fish stocks throughout their ranges and are based on the best scientific information available; and

(B) the Commission provides adequate opportunity for public participation in the plan preparation process.

(b) COMMISSION MONITORING OF STATE IMPLEMENTATION AND ENFORCEMENT.—Within 1 year after the date of the enactment of this Act and at least annually thereafter, the Commission shall—

(1) review each interstate fishery management plan and determine whether each State which has declared an interest in the plan, or that is required under the plan to implement and enforce the plan, has implemented and enforced the plan; and

(2) submit a report on the results of that review to the Secretaries.

#### SEC. 4. STATE NONCOMPLIANCE WITH INTERSTATE FISHERY MANAGEMENT PLANS.

(a) DETERMINATION.—The Commission shall determine that a State is not in compliance with an interstate fishery management plan if it finds that the State has not implemented and enforced the plan within the period established under section 3(a)(4).

(b) NOTIFICATION.—If the Commission determines under subsection (a) that a State is not in compliance with an interstate fishery management plan, the Commission shall notify the Secretaries of that determination within 10 working days. The notification shall include the reasons for making the determination and specify an explicit list of actions that the affected State must take to comply with the interstate fishery management plan. The Commission shall provide a copy of the notification to the State.

(c) MONITORING; WITHDRAWAL OF DETERMINATION.—After making a determination under subsection (a) regarding a State, the Commission shall continue to monitor implementation and enforcement of the plan by the State. On finding that a State has taken all actions specified in the notification issued under subsection (b), the Commission shall promptly notify the Secretaries that the State is in compliance.

#### SEC. 5. SECRETARIAL ACTION.

(a) SECRETARIAL REVIEW OF COMMISSION DETERMINATION OF NONCOMPLIANCE.—Within

30 days after receiving a notification regarding a State from the Commission under section 4(b), the Secretary, in consultation with the Secretary of the Interior, shall review the Commission's determination of non-compliance and determine whether—

(1) the State has failed to implement and enforce the interstate fishery management plan in question;

(2) the measures which the State has failed to implement and enforce are necessary to conserve and manage the fishery in question; and

(3) in the case of an interstate fishery management plan adopted after January 1, 1995, the plan in question was prepared under the standards and procedures required to be established by the Commission under section 3(a)(5).

(b) **COMMENTS.**—In making a determination under subsection (a), the Secretary shall—

(1) give careful consideration to the comments of the State that the Commission has determined under section 4(a) is not in compliance with an interstate fishery management plan, and provide that State, upon request, the opportunity to meet with and present its comments directly to the Secretary; and

(2) solicit, review, and consider the comments of the Commission and the appropriate councils.

(c) **DECLARATION OF MORATORIUM.**—On determining under subsection (a) that a State has failed to implement and enforce an interstate fishery management plan, the Secretary shall declare a moratorium on fishing for the species covered by the plan within the waters of that State. The Secretary shall establish the effective date of the moratorium to commence at any time within 6 months following the declaration.

(d) **SUSPENSION OF MORATORIUM.**—On notification by the Commission under section 4(c) that a State is in compliance with an interstate fishery management plan, the Secretary shall terminate the moratorium declared under subsection (c) affecting fish species covered by that plan.

(e) **REGULATIONS.**—

(1) **IN GENERAL.**—The Secretary shall prescribe regulations necessary to implement this Act.

(2) **CONTENT.**—These regulations—

(A) may provide for the possession and use of fish which have been produced in an aquaculture operation, subject to applicable State regulations; and

(B) shall allow for the retention of fish that are subject to a moratorium declared under subsection (c) and unavoidably taken as incidental catch in fisheries directed toward menhaden, if—

(i) discarding the retained fish is impracticable;

(ii) the retained fish do not constitute a significant portion of the catch of the vessel; and

(iii) the retention of the fish will not, in the judgment of the Secretary, adversely affect the conservation of the species of fish retained.

(f) **PROHIBITED ACTS DURING MORATORIUM.**—During a moratorium a person may not—

(1) engage in fishing for a species of fish subject to a moratorium within waters of the State subject to the moratorium;

(2) land, attempt to land, or possess fish that are caught, taken, or harvested in violation of the moratorium, this Act, or any regulation promulgated under this Act;

(3) fail to return to the water immediately, with a minimum of injury, any fish subject

to a moratorium taken in waters of a State under a moratorium incidental to fishing for species other than those to which the moratorium applies, except as provided by regulations prescribed under subsection (e);

(4) land, within a State that is subject to a moratorium, any fish subject to a moratorium, regardless of where it was caught;

(5) refuse to permit an authorized officer to board a fishing vessel to conduct a search or inspection in connection with the enforcement of this Act;

(6) forcibly assault, resist, oppose, impede, intimidate, or interfere with an authorized officer attempting to conduct a search or inspection under this Act;

(7) resist a lawful arrest for an act prohibited by this section;

(8) ship, transport, offer for sale, sell, purchase, import, or have custody, control, or possession of, fish taken or possessed in violation of this Act; or

(9) interfere with, delay, or prevent, by any means, the apprehension or arrest of a person, knowing that person has committed any act prohibited by this section.

(g) **PENALTIES.**—

(1) **CIVIL PENALTY.**—A person violating subsection (f) of this section shall be liable to the United States for a civil penalty as provided by section 308 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1858). Subsections (b) through (e) of section 308 of the Magnuson Fishery Conservation and Management Act apply to persons assessed a penalty under this paragraph.

(2) **CRIMINAL PENALTIES.**—A person violating subsection (f)(5), (6), (7), or (9) is guilty of an offense punishable under subsections (a)(1) and (b) of section 309 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1859).

(h) **CIVIL FORFEITURES.**—

(1) **FORFEITURE.**—A vessel (including its gear, equipment, appurtenances, stores, and cargo) used in connection with an act unlawful under subsection (f), and any fish (or the fair market value thereof) taken or retained, in any manner, in connection with, or the result of, the commission of an act prohibited under subsection (f), shall be subject to forfeiture to the United States as provided in section 310 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1860).

(2) **DISPOSAL OF FISH.**—Any fish seized pursuant to this Act may be disposed of under an order of a court of competent jurisdiction or, if perishable, in a manner provided by regulation prescribed by the Secretary.

(i) **ENFORCEMENT.**—A moratorium declared under subsection (c) shall be enforced by the Secretaries and the Secretary of the Department in which the Coast Guard is operating, as provided in section 311 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1861 et seq.). The Secretaries may, by agreement, on a reimbursable basis or otherwise, use the personnel, services, equipment (including aircraft and vessels), and facilities of any other Federal department or agency and of any agency of a State in carrying out that enforcement.

**SEC. 6. FINANCIAL ASSISTANCE.**

The Secretaries may provide financial assistance to the Commission and to the States to carry out their respective responsibilities under this Act, including—

(1) the preparation, implementation, and enforcement of interstate fishery management plans; and

(2) State activities that are specifically required in interstate fishery management plans.

**SEC. 7. DEFINITIONS.**

For the purposes of this Act, the term—

(1) "coastal fishery resource" means any species of fish that move among, or are broadly distributed across—

(A) waters under the jurisdiction of 2 or more States that border the Atlantic Ocean; or

(B) waters under the jurisdiction of any State that borders the Atlantic Ocean and waters of the exclusive economic zone;

(2) "Commission" means the Atlantic States Marine Fisheries Commission constituted under the interstate compact consented to and approved by the Congress in the Acts of May 4, 1942 (56 Stat. 267), and August 19, 1950 (64 Stat. 467);

(3) "Councils" means the Regional Fishery Management Councils established under section 302 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1852) with jurisdiction over fisheries in the Atlantic Ocean;

(4) "exclusive economic zone" means that portion in the Atlantic Ocean of the exclusive economic zone established by Presidential Proclamation Number 5030, dated March 10, 1983;

(5) "Federal fishery management plan" means a fishery management plan prepared by a Council or the Secretary under the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.);

(6) "fish" means finfish, mollusks, crustaceans, and all other forms of marine animal life other than marine mammals and birds;

(7) "fishery" has the meaning given that term in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802);

(8) "fishing" has the meaning given that term in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802);

(9) "implement and enforce" means the enactment or adoption laws, regulations, or rules as required to—

(A) comply with the provisions of an interstate fishery management plan; and

(B) assure compliance with such laws, regulations, or rules by persons participating in a fishery that is subject to such plans;

(10) "interstate fishery management plan" means—

(A) a fishery management plan or amendment adopted by the Commission under section 3; or

(B) a fishery management plan or amendment for managing a coastal fishery resource adopted by the Commission before the date of the enactment of this Act;

(11) "Secretaries" means the Secretary of Commerce and the Secretary of the Interior;

(12) "Secretary" means the Secretary of Commerce; and

(13) "State" means each of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, the District of Columbia, and the Potomac River Fisheries Commission.

**SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to the Secretaries for the purposes of carrying out the provisions of this Act \$2,000,000 for each of the fiscal years 1994, 1995, and 1996.

The **SPEAKER** pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. STUDDS] will be recognized for 20 minutes, and the gentleman from Texas [Mr. FIELDS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2134, the Atlantic Coastal Fisheries Cooperative Management Act, is modeled after the successful Striped Bass Act of 1984. It creates a partnership between the States and the Federal Government to protect and rebuild our fish stocks along the Atlantic seaboard.

The statistics for these fisheries are alarming; weakfish landings down by 85 percent in the past decade; summer flounder by 70 percent in just the past 4 years. The Atlantic States Marine Fisheries Commission has management plans for many of these species, and while some States, like Massachusetts, have adopted the necessary conservation measures in good faith, other States have not been as consistent in their implementation efforts. As a result, fishermen in my district, already facing economic devastation due to the decline of offshore groundfish stocks, are watching their coastal fisheries disappear as well, despite the sacrifices they have made in the name of conservation.

H.R. 2134 authorizes a cooperative effort between the States and the Federal Government to ensure that everyone shares the responsibility for conserving and rebuilding these species. It also makes the States' and Commission's job of managing the fisheries easier by providing money for research and making the resources of the Federal Government available, if needed, to enforce Commission rules. The bill represents more than 2 years of work by the States, the Commission, fisheries managers and user groups, and others interested in the long-term productivity of our coastal fisheries. We have addressed almost all of the concerns expressed by Members in our committee bill. We have gone to great lengths to ensure that coastal States retain their authority to manage their own fisheries. With the passage of this legislation, we will implement a coordinated management program to ensure that our small coastal communities can continue to rely on these resources for their livelihoods and recreation now and in the future.

Mr. Speaker, I reserve the balance of my time.

Mr. FIELDS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. FIELDS of Texas. Mr. Speaker, I rise in support of H.R. 2134, a bill to manage interjurisdictional fisheries of the Atlantic coast.

Interjurisdictional fisheries are those stocks that migrate between waters of different States, or between State and Federal waters. The Magnuson Fishery Conservation and Management Act gave management authority to the States for fisheries that are predomi-

nantly harvested in State waters. These fisheries are managed by State marine fisheries commissions rather than by regional fishery management councils.

The commissions develop cooperative fisheries management plans that are to be implemented by the States. The commissions have oversight responsibilities for the fisheries, however, they do not have enforcement authority to ensure that States comply with or implement the plans. As a result, some stocks of coastal fisheries, most notably along the Atlantic seaboard, have declined to seriously low levels. The failure of one State to comply with a management plan imposes a disproportionate share of the conservation of fish stocks on the other States, while that State reaps benefits by continuing to harvest without restriction.

Let me point out, this bill only affects the Atlantic States Marine Fisheries Commission [ASMFC]. This Commission is plagued by the failure of some States to fully implement the interstate fishery management plans. Because the ASMFC has 15 member States, consensus is never easy. However, conservation efforts by some States should not be jeopardized by the inaction of other States.

H.R. 2134 would impose a regulatory scheme similar to the current and successful one in the Atlantic Striped Bass Conservation Act. Under this bill, if the Commission finds that a State is not in compliance with a plan, the Secretary of Commerce would impose a fishing moratorium in the waters of that State.

This is a noncontroversial bill and I urge my colleagues to join me in supporting it.

Mr. Speaker, I reserve the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MANTON], the distinguished chairman of the Subcommittee on Fisheries.

Mr. MANTON. Mr. Speaker, I rise to support H.R. 2134, legislation to help conserve fish within State waters along the east coast. H.R. 2134 was one of the first matters considered by the newly created Fishery Management Subcommittee, which I chair, and it demonstrates the considerable need for Congress to devote greater attention to marine conservation issues. H.R. 2134 is an important fish conservation bill that will reinforce and strengthen the Federal fishery management and conservation system established by the Magnuson Fishery Conservation and Management Act.

To develop coordinated responses to fishery problems, coastal States have established interstate fishery commissions. Under current law, a State may choose to implement a Commission approved conservation plan, take another course of action—or the State may choose inaction.

When a State chooses inaction, it undermines the conservation effort. While fishermen from neighboring States reduce their catches so as to allow the stock to grow, fishermen in the noncomplying State continue the practices that initially forced the Commission to recommend restrictions.

If a State failed to act responsibly, the Secretary of Commerce would be required to impose a fishing moratorium on that State. The moratorium would prohibit fishing for the species covered by the plan, within the waters of the noncomplying State.

H.R. 2134 would impose strong sanctions on a State that failed to take appropriate conservation steps, but these steps are necessary and essential if we are to responsibly manage and conserve our marine fisheries.

In conclusion, I thank Chairman STUDDS for his assistance with this bill and I urge my colleagues to join me in supporting this important conservation initiative.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 2134, a bill to improve the conservation and management of interjurisdictional fisheries along the Atlantic coast. I urge passage of this legislation.

The States along the Atlantic coast have faced many obstacles in coordinating the management of the fisheries found in State waters. Regulatory action by one State may have no success due to the inaction of another State. As a result, many once commercially valuable species like weakfish and summer flounder have suffered significant declines which appear to be leading to commercial extinction of the resources.

The options to provide for better control of the fisheries are fewer and further between. I must note that I have serious concerns about Federal preemption of the rights of the States to manage their own natural resources. However, the bill seems to contain sufficient safeguards for maintaining State rights. The very serious nature of this problem mandates Federal intervention as the Atlantic coast States have not achieved cooperation in their management attempts.

During the last decade, another Atlantic coast species, the striped bass, faced similar hurdles. In 1984, the Congress passed the Atlantic Striped Bass Conservation Act (Public Law 98-613) which provided Federal oversight to the fishery to ensure cooperation among the Atlantic Coast States. This act is credited with restoring the striped bass to the waters of the Atlantic coast. H.R. 2134 parallels the provisions of the Striped Bass Act. I hope it has the ability to save other fisheries as well.

Congressional action appears to be a viable solution for the declining fisheries. I urge adoption of H.R. 2134.

□ 1400

Mr. FIELDS of Texas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUDDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question

is on the motion offered by the gentleman from Massachusetts [Mr. STUDDS] that the House suspend the rules and pass the bill, H.R. 2134, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### DIRECTING CONVEYANCE OF SENECAVILLE NATIONAL FISH HATCHERY TO THE STATE OF OHIO

Mr. STUDDS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2495) to direct the Secretary of the Interior to convey to the State of Ohio the Senecaville National Fish Hatchery.

The Clerk read as follows:

H.R. 2495

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. CONVEYANCE OF SENECAVILLE NATIONAL FISH HATCHERY.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law and within 180 days after the date of the enactment of this Act, the Secretary of the Interior shall convey to the State of Ohio without reimbursement all right, title, and interest of the United States in and to the property known as the Senecaville National Fish Hatchery, located in Senecaville, Ohio, including—

(1) all easements and water rights relating to that property, and

(2) all land, improvements, and related personal property comprising that hatchery.

(b) USE OF PROPERTY.—All property and interests conveyed under this section shall be used by the Ohio Department of Natural Resources for the Ohio fishery resources management program.

(c) REVERSIONARY INTEREST.—All right, title, and interest in and to all property and interests conveyed under this section shall revert to the United States on any date on which any of the property or interests are used other than for the Ohio fishery resources management program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. STUDDS] will be recognized for 20 minutes and the gentleman from Texas [Mr. FIELDS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2495, introduced by the gentleman from Ohio [Mr. APPLEGATE] directs the Secretary of the Interior to convey ownership of the Senecaville National Fish Hatchery in Senecaville, OH, to the State.

The hatchery is part of the National Fish Hatchery Program, which is administered by the U.S. Fish and Wildlife Service. Its primary function is to raise sportfish—like walleye, hybrid striped bass, and sauger—for the Great

Lakes region. Although considered a part of the Federal program, Senecaville Hatchery operations have been funded and administered by the Ohio Department of Natural Resources since 1987 at a cost of \$350,000 a year. The State is now interested in making some necessary repairs and upgrading the facility, but would like title to the facility before making such a large capital investment.

H.R. 2495 would transfer ownership of the hatchery and the property on which it is located to the State of Ohio. Should the State decide at some time in the future that it no longer wants or needs to operate the hatchery or wants to use the facility for some other purpose, ownership of the facility and the land would revert back to the Federal Government.

The bill is supported by both the State and the U.S. Fish and Wildlife Service, and I urge Members to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. FIELDS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2495, a bill to transfer ownership of the Senecaville National Fish Hatchery to the State of Ohio.

Although this fish hatchery has been a part of the Federal program, the Ohio Department of Natural Resources has been effectively funding and managing the facility since 1987. The State uses the facility to raise selected species of walleye, striped bass, and channel catfish.

Let me note there is a provision in this bill that would return the facility and the adjacent land to the U.S. Fish and Wildlife Service should the State cease operation of the hatchery.

This is a noncontroversial bill and I urge my colleagues to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUDDS. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. MANTON], the chairman of the subcommittee.

Mr. MANTON. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise to support H.R. 2495, legislation introduced by my distinguished colleague from Ohio, DOUG APPLEGATE.

H.R. 2495 directs the Secretary of the Interior to transfer a federally owned fish hatchery to the State of Ohio. The State of Ohio assumed financial responsibility for this hatchery in 1987. H.R. 2495 will complete this shift of responsibility by transferring the ownership of the hatchery to the State. Under H.R. 2495, all responsibility for this hatchery, along with all costs and burdens of running the facility will be transferred to the State.

This is wise legislation that will reduce Federal expenditures and relieve

the Federal Government of liability and responsibility for this hatchery. I urge my colleagues to join me in supporting this bill.

Mr. STUDDS. Mr. Speaker, I yield 2 minutes to the author of the legislation, the distinguished gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. I thank the chairman of the committee very much for the opportunity to speak and for bringing this up.

I merely want to say that I thank the gentleman from Massachusetts, the chairman of the committee, Mr. STUDDS, and the chairman of the subcommittee, the gentleman from New York [Mr. MANTON], as well as the ranking minority member, the gentleman from Texas [Mr. FIELDS], and though I do not see him here, the gentleman from Alaska [Mr. YOUNG].

It has been very properly explained, and I appreciate the expediency with which it handled and brought to the floor.

I know the people of Ohio will be happy for the way it turned out.

Mr. YOUNG of Alaska. Mr. Speaker, I rise in support of H.R. 2495, directing the conveyance of the Senecaville National Fish Hatchery to the State of Ohio, and urge adoption of this legislation.

Providing the most appropriate use of funding and personnel should be a priority for the Federal Government. Providing State ownership in certain property that the Federal Government no longer desires or directs is also important. H.R. 2495 achieves both goals.

Since 1987, the State of Ohio has funded and managed the Senecaville National Fish Hatchery where it raises striped bass, walleye, and catfish. It seems only appropriate that the State be given title to the facility and the surrounding land so that it can best oversee the hatchery without the threat of unnecessary intervention by the Federal Government that no longer has any interest in the property. The legislation also provides proper safeguards to ensure that the State continues the appropriate use of the fish hatchery.

H.R. 2495 represents a win-win situation for all parties involved. I urge its adoption.

Mr. STUDDS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts [Mr. STUDDS] that the House suspend the rules and pass the bill, H.R. 2495.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### WHITE HOUSE SMALL BUSINESS CONFERENCE AMENDMENTS

Mr. LAFALCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2746) to amend the White House Conference on Small Business Authorization Act, as amended.

The Clerk read as follows:

H.R. 2746

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the White House Conference on Small Business Authorization Act (15 U.S.C. 631 note) is amended—

(1) in section 2 by striking from subsection (a) "not earlier than January 1, 1994, and not later than April 1, 1994" and by inserting in lieu thereof "not earlier than May 1, 1995, and not later than September 30, 1995";

(2) in section 2 by striking from subsection (a) "December 1, 1992" and by inserting in lieu thereof "March 1, 1994";

(3) in section 5 by striking the second sentence of subsection (a) and by inserting in lieu thereof the following: "Subsequent to the date of enactment of this Act, but not later than 30 days after the date of enactment of this Act, the President shall select and appoint eleven individuals to the Commission."; and

(4) in section 9 by striking from subsection (a) "\$5,000,000" and by inserting in lieu thereof "\$7,000,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 20 minutes and the gentleman from Kansas [Mrs. MEYERS] will be recognized for 20 minutes.

The Chair recognized the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2746, amendments to the White House Conference on Small Business Authorization Act.

Mr. Speaker, this law, Public Law 101-409, was enacted on October 5, 1990. It authorizes and directs the President to conduct a National White House Conference on Small Business to be held between January 1 and April 1, 1994. This National Conference would be held after State and regional conferences. These should have commenced 6 months ago. The Conference would be administered by an executive director under guidance from an 11-member Commission appointed by the President.

Most of the delegates to the National Conference would be elected by participants at the State conferences; in addition, however, each Governor and each Member of the U.S. House of Representatives and each member of the U.S. Senate would appoint one delegate. The President would also appoint an additional 100 delegates.

Within 4 months after the conclusion of the National Conference, a final report would be submitted to the President and the Congress. The report would include the findings and recommendations of the Conference, as well as proposals for legislative action to implement them.

Unfortunately, the previous administration did not begin preparations for the Conference and allowed the law to lie dormant for more than 2 years. This lack of preparation and planning, of course, necessitates that we delay the dates of the Conference.

The bill now under consideration provides that the State conferences should begin as soon after March 1, 1994, as is possible. They would then be completed and the Washington Conference would be held some time between May 1, 1995, and September 30, 1995.

In addition, the bill would authorize and direct the President to appoint new Commissioners to run the Conference and to do so within 30 days of the date of enactment of this bill.

This would be the third White House Conference on Small Business. The prior National Conferences were held in 1980 and 1986. Both were well attended by small business delegates totaling some 2,000 per conference.

Mr. Speaker, these conferences are significant and influential affairs for the small business community. Delegates must volunteer their own time to participate in this process and pay their own expenses. They have done so in the past in large numbers. It is this commitment to the development of meaningful recommendation for small business legislative and regulatory action that leads to successful Conferences.

I am confident that this level of interest and commitment still exists today, both on the part of the small business sector and this administration. With the planning time provided by this bill, and the provision for appointment of Commissioners, I am hopeful that the 1995 Conference can be the best we have had yet.

Mr. Speaker, this bill received the unanimous approval of the Small Business Committee and deserves the support of all Members of the House.

Attached is a sectional summary of this legislation:

SECTIONAL SUMMARY OF H.R. 2746 (AMENDED).  
WHITE HOUSE SMALL BUSINESS CONFERENCE  
AMENDMENTS

Section 1(1) and (2) delay the dates for the White House Conference on Small Business. The state meetings would begin not earlier than March 1, 1994 (instead of not earlier than December 1, 1992), and the national conference would be held between May 1, 1995 and September 30, 1995 (instead of between January 1, 1994 and April 1, 1994 under existing law).

Section 1(3) provides that the President shall appoint commissioners to oversee the conference, and that such appointments shall be made after the enactment of this Act but not later than 30 days after the date of such enactment.

Section 1(4) also increases the authorization for the conference to \$7 million (now \$5 million).

Mr. Speaker, I reserve the balance of my time.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am proud to rise in support of H.R. 2746 during the 40th anniversary of the Small Business Administration. I congratulate the chairman of the House Small Business Committee, Mr. LAFALCE, for his leadership in bringing the bill to the floor.

Mr. Speaker, I am also very proud to help put in motion a very important event—the White House Conference on Small Business.

This forum brings thousands upon thousands of small business owners of every race, creed, color, and gender together, exercising their most profound and fundamental right—to express their opinions freely.

H.R. 2746 is a bipartisan bill that represents a compromise reached between the majority and minority elements of the Small Business Committee, in consultation and concurrence with the Small Business Administration. While there were some differences of opinion on when the State and national conferences should be held, there is no disagreement in our strong belief that small businesses should have this opportunity to send a message to Congress on their priorities with one voice.

One of the reasons the White House Conference on Small Business has been so successful is that it was organized in recognition of the importance of involving all small businesses from the ground up. Beginning next March, small enterprise owners from coast to coast will begin gathering to voice their opinions in State conferences. Representatives from those conventions will carry their recommendations to regional symposiums where the ideas will be argued, refined, and condensed again. Freely elected small business owners will then travel to a National Conference to take the best of the best, and forge them into 60 recommendations that will guide us into the 21st century.

I regret that this admirable process has not already begun. Unfortunately, the previous administration did not have plans for the conferences sufficiently underway in such a manner that would have allowed the new administration to keep the timetable set in current law. However, through swift passage of this legislation, I hope that Administrator Bowles and his team at the Small Business Administration will move forward quickly with plans to make the 1995 White House Conference on Small Business the most successful ever.

I would like to thank the chairman for his most cooperative efforts in bringing about this bipartisan legislation, and I strongly urge our colleagues to support enactment of H.R. 2746.

□ 1410

Mrs. MEYERS of Kansas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question is on the motion offered by the gentleman from New York [Mr. LAFALCE] that House suspend the rules and pass the bill, H.R. 2746, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2746, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

#### CERTIFIED DEVELOPMENT COMPANY AUTHORIZATION INCREASES

Mr. LAFALCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2747), to increase the authorization for the development company loan and debenture guarantee program administered by the Small Business Administration.

The Clerk read as follows:

##### H.R. 2747

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 20 of the Small Business Act (15 U.S.C. 631 note) is amended—

(1) in subsection (g)(2) by striking "\$7,030,000,000" and by inserting in lieu thereof "\$7,155,000,000";

(2) in subsection (g)(2) by striking "\$775,000,000" and by inserting in lieu thereof "\$900,000,000";

(3) in subsection (i)(2) by striking "\$8,083,000,000" and by inserting in lieu thereof "\$8,458,000,000"; and

(4) in subsection (i)(2) by striking "\$825,000,000" and by inserting in lieu thereof "\$1,200,000,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 20 minutes, and the gentleman from Kansas [Mrs. MEYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2747, which would increase the authorization for the development company loan and debenture guarantee program.

The Small Business Administration, acting through a financial intermediary called a development company, provides financing to small businesses for plant and equipment needs.

These development companies receive charters from a State or local government in the area of their operation.

Also licensed by SBA, they issue debentures or long-term notes which are guaranteed by the Government. The debentures are then sold to private investors and the proceeds of this sale are then re-lent by the development company to small businesses to finance part of the cost of plant acquisition, construction, conversion or expansion, including the acquisition of land.

The financing packages obtained through a development company by a small business typically include 50-percent funding from a commercial lender who takes a first mortgage lien on the property. An additional 40 percent of the project cost is provided through the development company from the debenture proceeds and a second mortgage lien is placed upon the property to secure this financing. The final share, 10 percent, is provided by the small business concern.

This program is highly successful and is directed toward those small firms which either create jobs or which carry out certain specified public policy goals such as business district revitalization, expansion of exports or minority small business development, rural development or enhanced economic competition.

The demand for this program has increased substantially during this fiscal year. The program is currently authorized to provide \$775 million in debenture guarantees this fiscal year and \$825 million in debenture guarantees during fiscal year 1994. Demand is such that if these limits are not increased, the program will be forced to suspend operations before the end of this year and again next year.

The bill proposes to increase the authorization for this year to \$900 million and, for next year, to \$1.2 billion.

I want to point out that this program is one of the most effective in the Federal Government today. Under the Credit Reform Act of 1990, we are required to appropriate the cost of the program up front as is the case with other loan programs. The cost of the Certified Development Company Loan Program is less than one-half of 1 percent.

Thus the increase in the 1993 authorization would cost \$625,000 and the increase in next year's authorization would cost less than \$2 million.

In addition to the benefits accruing from the jobs generated and maintained, I want to point out to the Members that even the minimal additional cost of expanding the program will not require the appropriation of supplemental moneys. It is anticipated that SBA, subject to the usual procedures for approval by Congress and the executive branch, will shift unused money from other programs to pay for this increase.

Mr. Speaker, this is a great program and it yields tremendous dividends to our economy. The bill was unani-

mously approved by the Small Business Committee, and I urge support for the bill.

I am attaching to my statement a sectional summary of its provisions, as follows:

#### SECTIONAL SUMMARY OF H.R. 2747, CERTIFIED DEVELOPMENT COMPANY AUTHORIZATION AMENDMENTS

Section 1(1) increases the total authorization for loan and debenture guarantees by the Small Business Administration in fiscal year 1993 from \$7.03 billion to \$7.155 billion, and within these amounts section 1(2) increases the authorization for debenture and loan guarantees for development companies from \$775 million to \$900 million.

Section 1(3) increases the total authorization for loan and debenture guarantees by the Small Business Administration in fiscal year 1994 from \$8.083 billion to \$8.458 billion, and within these amounts section 1(4) increases the authorization for debenture and loan guarantees for development companies from \$825 million to \$1.2 billion.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2747. The section 504 Certified Development Company Program provides vital long-term, fixed-rate financing to small businesses for capital improvements. This is a bricks and mortar program for new construction, expansion, renovation, and equipment purchases. The 504 program has an impressive loss rate of only one-half of 1 percent, and it requires cooperation between the small business, the development company, and community institutions for its financing packages. Mr. Speaker, this is one of the few Government programs that has a job creation requirement; creating one job for every \$8,900 in loan guarantees—a figure we would be hard pressed to duplicate elsewhere.

This bill will simply increase the 504 Development Company Program's authorization, allowing the SBA to reprogram funds from a lesser utilized program. It will require no new appropriations and it will prevent the 504 Development Company Program from shutting down prior to the end of fiscal year 1993. Without this new authority, the program will be out of funds by mid-September and small business will face the loss of one of its best sources of long-term financing. I urge my colleagues to join me in supporting adoption of H.R. 2747.

Mr. HOYER. Mr. Speaker, I rise in strong support of H.R. 2747, the Small Business Development Companies Loan Guarantees Act. I believe this bill supports an increasingly important Small Business Administration program. The authorization reflects the new attention focused on this program by increasing the funding for the program's loan guarantees by approximately 40 percent in the next fiscal year.

The Small Business Development Company Program combines the resources of the Federal, State, and local governments with commercial lenders to provide the necessary long-term financing businesses need to expand or

convert their fixed assets. For many small businesses, this program will mean the difference between closing their doors or retooling to compete in a rapidly changing economic environment.

At a time when our economy is slowly coming out of a long-term recession, businesses need the money now to finance their capital. Unfortunately, as any small business person in this country can tell you, the type of funding they need for such capital improvements is very difficult to get from today's financial markets.

I believe the funding increases included in this legislation will help lay the foundation for a stronger and sustained economic recovery, particularly in areas of our country which have been hard hit.

I urge my colleagues to support this bill, and support the idea that public and private partnerships can work together and can strengthen our recovery by helping the real engine of our national economy—small business. I urge my colleagues to support H.R. 2747.

Mrs. MEYERS of Kansas. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS). The question is on the motion offered by the gentleman from New York [Mr. LAFALCE] that the House suspend the rules and pass the bill, H.R. 2747.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 2747, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

#### SMALL BUSINESS DEVELOPMENT CENTER PROGRAM AMENDMENTS

Mr. LAFALCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2748) to amend the Small Business Development Center Program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2748

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21(c)(7) of the Small Business Act (15 U.S.C. 648) is amended by striking "system which will" and by inserting in lieu thereof the following: "system. Subject to amount approved in advance in appropriations acts, the Adminis-*

*tration may make grants or enter cooperative agreements with one or more centers to carry out the provisions of this paragraph. Said grants or cooperative agreements shall be awarded for periods of no more than five years duration. The matching funds provisions of subsection (a) shall not be applicable to grants to cooperative agreements under this paragraph. The system shall".*

(b) Section 25(i) of the Small Business Act (15 U.S.C. 652) is amended by striking "\$8,000,000 for fiscal year 1993" and by inserting in lieu thereof "\$2,000,000 for each of fiscal years 1993, 1994, 1995, and 1996".

(c) Section 223 of the Small Business Credit and Business Opportunity Enhancement Act of 1992 (106 Stat. 986) is amended by striking the last sentence of subsection (b).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 20 minutes and the gentleman from Kansas [Mrs. MEYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2748, which would make minor amendments to the Small Business Development Center Program administered by the Small Business Administration.

Most Members are aware of the financial needs of the small business community and know that we attempt to address part of these needs through loan guarantee programs administered by the Small Business Administration. Of equal importance to the small business community, however, is the need for adequate knowledge and training on how to operate a small business.

We have addressed this need primarily by establishing the Small Business Development Center Program as a partnership between the Federal Government and the States. Each State is authorized to develop a network of centers, which generally are at universities, to provide management and technical assistance and training to small businesses within the State. The cost of the program is shared between the Federal Government and State and local interests, but, by statute, the Federal Government may not pay more than 50 percent of the cost of operating the program.

This is a highly successful program and represents a good leveraging of Federal moneys.

During fiscal year 1992, the program, which now exists in every State, delivered over 1.1 million hours of counseling to 222,500 small firms.

In order to effectively utilize the program resources, the Small Business Act authorizes SBA to establish a reference library of materials which is available for the use of all of the Small Business Development Centers and the 700 subcenters throughout the United States. This information sharing network or clearinghouse is partly funded by SBA at a cost of approximately

\$250,000 per year. In examining the operation of this clearinghouse, it became apparent that the most logical mechanism to fund it would be to allow the Agency to negotiate the work with one of the SBDC's. This approach clearly would be better than contracting out this network to those who have neither expertise in assisting small business nor a basic library upon which the clearinghouse could build.

Accordingly, the bill simply changes the funding mechanism to allow SBA to negotiate with an SBDC to carry out this function and to pay for it through a grant or cooperative agreement mechanism.

Because the SBDC concept has been so successful in the United States, several years ago we established a pilot program to see if we could teach several countries in Central Europe how to assist their small businesses by establishing their own SBDC program. This pilot program is now underway in three countries and the bill proposes to extend the authorization for 3 additional years at a cost of not to exceed \$2 million per year. Once the teaching phase of this pilot program is completed, the cost of the continued operation would be borne by the host country, not by the Small Business Administration.

Finally, the bill makes a technical amendment which would authorize the Small Business Administration to implement regulations governing the operation of the program in the United States.

Mr. Speaker, this legislation was unanimously approved by the Small Business Committee on a bipartisan basis and I urge its approval by the House.

Attached is a sectional summary of this legislation:

#### SECTIONAL SUMMARY OF H.R. 2748, SMALL BUSINESS DEVELOPMENT CENTER PROGRAM AMENDMENTS

Section 1 authorizes the Small Business Administration to fund Small Business Development Center information sharing systems (i.e., a library of materials) by making grants or cooperative agreements with one or more such centers instead of by issuing a contract after soliciting proposals.

Subsection (b) reduces the authorization for the Small Business Development Center replication program in Central Europe for 1993 from \$8 million to \$2 million and authorizes a similar amount for each of fiscal years 1994 through 1996.

Subsection (c) strikes a provision of current law which prohibits the Small Business Administration from publishing regulations on the Small Business Development Center Program in the Federal Register.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I rise in strong support of H.R. 2748. This bill will make three improvements in the Small Business Development Center [SBDC] Program. First, it authorizes competitive grant procedures for placement of the SBDC

information sharing network to replace the current confusing and burdensome contracting system. The Small Business Development Centers provide counseling and support for small businesses through colleges and universities, and this information network will aid them in their efforts to help the small business community grow and prosper.

Second, H.R. 2748 will change the authorization for the Central European Development Center Program. As Eastern Europe struggles to develop market economies, these Development Centers will help support and encourage their entrepreneurs. The change will spread the previous authorization of \$8 million in fiscal year 1993 to \$2 million in each of fiscal years 1993, 1994, 1995, and 1996. This allows us to offer more consistent support to these emerging economies for the same amount of money.

Finally, this bill will remove the legislative impediment to the issuance of regulations for the SBDC Program. This will allow the SBA to implement its oversight authority and issue clear guidelines on the function of the SBDC Program.

Mr. Speaker, let me reiterate my support for H.R. 2748 and thank Chairman LAFALCE for his efforts in getting it to the floor so swiftly.

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Mr. LAFALCE. Mr. Speaker, I yield back the balance of my time.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question is on the motion offered by the gentleman from New York [Mr. LAFALCE] that the House suspend the rules and pass the bill, H.R. 2748, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous matter, on H.R. 2748, as amended, the bill, just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

#### SMALL BUSINESS 7(a) LOAN AMENDMENTS

Mr. LAFALCE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2766) to amend the 7(a) Loan Program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2766

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SEC. 2. AUTHORITY TO IMPOSE SECONDARY MARKET FEES.

(a) Section 5(g) of the Small Business Act (15 U.S.C. 634) is amended by striking paragraph (4) and by inserting in lieu thereof the following:

"(4) The Administration may collect the following fees for loan guarantees sold into the secondary market pursuant to the provisions of subsection (f): an amount equal to (A) not more than .4 percent per year on the outstanding balance of such loan guaranteed by the Administration, and (B) not more than 50 percent of that. *Provided*, That such fees shall not be charged to the borrower whose loan is guaranteed: and, *Provided further*, That nothing herein shall preclude any agent of the Administration from collecting a fee approved by the Administration for the functions described in subsection (h)(2)."

(b) Any new fees imposed by the Administration pursuant to the authority conferred by subsection (a) shall be applicable only to loans initially sold in the secondary market pursuant to the provisions of section 5(f) of the Small Business Act after August 31, 1993.

#### SEC. 3. AUTHORITY TO REDUCE LOAN GUARANTEE PERCENTAGES.

(a) Section 7(a)(2) of the Small Business Act (15 U.S.C. 636) is amended—

(1) by striking from the end of clause (B)(i) the word "and" and by redesignating clause (B)(ii) as (B)(iv) and by inserting the following after clause (B)(i):

"(ii) not less than 75 percent of the financing outstanding at the time of disbursement, if such financing is more than \$155,000 and the period of maturity of such financing is more than 10 years, except that the participation by the Administration may be reduced below 75 percent upon request of the participating lender;

"(iii) not less than 85 percent of the financing outstanding at the time of disbursement, if such financing is more than \$155,000 and the period of maturity of such financing is 10 years or less, except that the participation by the Administration may be reduced below 85 percent upon request of the participating lender; and"

(2) by striking the words "85 percent under subparagraph (B)" and by inserting in lieu thereof the following: "the above specified percentages";

(3) by striking from paragraph (B) the words "not less than 80 percent, except upon" and by inserting in lieu thereof the following: "not less than 70 percent unless a lesser percent is required by clause (B)(ii) or upon the"; and

(4) by inserting after the third sentence the following: "The maximum interest rate for a loan guaranteed under the Preferred Lenders Program shall not exceed the maximum interest rate, as determined by the Administration, which is made applicable to other loan guarantees under section 7(a)."

(b) The amendments made by subsection (a) shall be effective September 1, 1993, but shall not be applicable to loan guarantee applications received by the Administration prior to August 21, 1993.

#### SEC. 4. STUDY AND REPORT

The Administration shall study, monitor and evaluate the impact of the amendments made by sections 2 and 3 of this Act on the ability of small business concerns and small business concerns owned and controlled by

minorities and women, to obtain financing and the impact of such sections on the effectiveness, viability and growth of the secondary market authorized by section 5(f) of the Small Business Act. Not later than 16 months after the date of enactment, and annually thereafter, the Administration shall submit to the Committees on Small Business of the Senate and the House of Representatives a report containing the Administration's findings and recommendations on such impact, specifically including changes in the interest rates on financings provided to small business concerns and small business concerns owned and controlled by minorities and women, through the use of the secondary market. The Administration shall segregate such findings and recommendations in the study according to the ethnic and gender components in these categories. Solely for the purposes of the study authorized herein, the term "small business concerns owned and controlled by minorities", includes businesses owned and controlled by individuals belonging to one of the designated groups listed in section 8(d)(3)(C) of the Small Business Act.

#### SEC. 5. REPEALER.

Sections 2 and 3 of this Act are hereby repealed on September 30, 1996.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. LAFALCE] will be recognized for 20 minutes and the gentleman from Kansas [Mrs. MEYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2766, the Small Business 7(a) Loan Program amendments.

For the past several years, the demand for loan guarantees under this program has increased annually in the magnitude of 35 to 40 percent per year, largely coinciding with the credit crunch which is affecting the small business community.

In fiscal years 1992 and 1993, supplemental appropriations were needed to continue the program. Members will recall that the program actually closed for 10 weeks this year until such a supplemental could be enacted. This reliance upon supplemental appropriations, and the turning on and off of the small business loan faucet, is not a good way to administer this program, or any program. A better solution must be found.

Under existing law, the maximum SBA exposure on a 7(a) loan guarantee is \$750,000 per borrower. SBA and the lender share in any loan loss in a ratio depending upon the percentage of the loan guaranteed.

On small loans, those under \$155,000, the maximum guarantee is 90 percent; on larger loans, the maximum guarantee is 85 percent; but either size loan, if made under the Preferred Lenders Program under which SBA authorizes the lender to approve the loan on SBA's behalf and without prior SBA review, receives a maximum guarantee of 80 percent.

Under the Credit Reform Act of 1990, Congress must appropriate in advance amounts calculated to pay the ultimate cost of any losses due to the loan guarantees. This calculation is termed the "subsidy rate" and is annually adjusted by the lending agency, subject to approval by the Office of Management and Budget. Unless program changes are made, the subsidy rate will be 4.7 percent for 1994.

It appears that Congress will appropriate approximately the amount requested by the administration for this program, \$155 million, and that will support loan guarantees of \$3.3 billion. But, we have received estimates of demand in excess of \$7 billion, an amount slightly above this year's appropriated level of \$6.8 billion.

The President's budget request proposes program changes which would reduce the subsidy rate to 2.13 percent. This would provide \$7.3 billion in loan guarantees. The President's proposal would reduce the subsidy primarily by reducing the guarantee on all loans. For example, the administration's proposal includes reducing the guarantee on small real estate loans to 70 percent, instead of the current level of 90 percent.

I believe some changes can be made, but in ways which will less adversely impact on small business borrowers.

Let me note for the record that I do not advocate any of the proposed changes, including my own proposal, except insofar as they are necessary to enlarge the program size. Nor do I think the President advocates them, except for this same reason. But, I do not believe we can secure a substantial increase in the appropriation, and we must somehow stretch our budget and reduce the Federal deficit.

I believe we can make savings of the magnitude the administration proposes, but in a slightly different manner. This bill would do so in four ways.

First, the Government and the lender would share large premiums on secondary market sales. The Small Business Administration would receive one-half of all premiums above 110 on 7(a) loan guarantees sold in the secondary market. In other words, if the lender sells the guaranteed portion of an SBA loan to an investor, the Government would share equally with the lender in any amount of the sales price above 10 percent of the principal amount of the loan.

Second, the bill would authorize a reduction in the preferred lenders guarantee. This is a program under which certain experienced and proficient lenders receive authority to make guaranteed loans without SBA's prior approval. The guarantee on 7(a) loans made under the preferred lenders program would be reduced to 70 percent whereas it is now 80 percent.

Third, the bill would authorize a reduction in the guarantee on large real

estate loans. The guarantee on real estate loans over \$155,000 with terms over 10 years would be reduced to 75 percent, whereas it is now 85 percent on amounts over that amount unless the loan is made through the Preferred Lenders Program.

And fourth, the bill would authorize the Small Business Administration to impose a secondary market fee of two-fifths of 1 percent annually on the outstanding principal amount of all 7(a) loans sold in the secondary market. This would be a new fee and would apply to future sales only.

These changes would provide a program level of \$7 billion in loan guarantees.

Mr. Speaker, I believe we must reduce the subsidy to make the 7(a) loan guarantee program available to more small businesses.

I believe part of the solution lies in higher fees and part in lower guarantees, but I believe these changes should be made selectively; they should take into consideration those prospective borrowers least likely to be hurt and provide the most assistance to those who need it the most.

To me, this means that the fees should be imposed on the loans sold in the secondary market to investors; the fees should not be imposed on all banks simply because they participate in the 7(a) program as they already pay in the form of guarantee fees imposed up front at the time the loan is approved. Moreover, across the board fees are most likely to be charged to the borrower.

It is the large borrowers with good collateral that should be the ones receiving lower guarantee support. Lenders are still likely to fund these loans even with a lower guarantee as these collateralized loans are much less risky than are small, non-real-estate loans.

Finally, let me point out that smaller loans are less apt to be sold in the secondary market than are larger ones; thus my amendment is less likely to result in a fee being imposed on smaller loans.

I believe this bill represents the best combination of cost saving measures.

The committee, however, is concerned about the possible adverse impact of these changes upon small business borrowers, particularly minority small businesses and women-owned small business. We will monitor the impact very closely and have directed SBA to do likewise and to report to Congress annually with their findings and recommendations.

If we determine that there is a problem, we will move to correct it.

Mr. Speaker, I believe that this bill provides the best use of our very limited loan guarantee dollars. It was ordered reported on a bipartisan basis by a vote of 39-4. I urge its passage.

Attached is a sectional summary of this legislation.

#### SECTIONAL SUMMARY OF H.R. 2766 (AMENDED), SECTION 7(a) LOAN PROGRAM AMENDMENTS

Section 2(a) authorizes the Small Business Administration to collect two fees on new loans sold into the secondary market: first, SBA could impose a fee not to exceed 3/4 of 1% annually on the outstanding balance of loans sold in such market; and second, SBA could impose a fee of 50% of that portion of the sales price of any loan for a premium in excess of 110 percent of the outstanding principal amount.

Subsection (b) limits the new fees to loans sold in the secondary market for the first time after August 31, 1993.

Section 3(a) authorizes SBA to reduce the maximum loan guarantee on real estate loans above \$155,000 to 75% (instead of 85% as provided under existing law). It also authorizes SBA to reduce the maximum loan guarantee on loans made under the Preferred Lenders Program to 70% (instead of 80% as provided under existing law).

Subsection (b) permits the SBA to apply the lower percentages to loans approved after August 31, 1993, but it exempts loan guarantee requests which were pending at the Agency prior to August 21st.

Section 4 requires SBA to study the impact of these changes upon the ability of small businesses to obtain financing, including the interest rate, and upon the viability of the secondary market in SBA guaranteed loans. The study would look at small business impact generally, and also specifically identify the impact on minority-owned and women-owned small business. SBA annually would report thereon to the Small Business Committees beginning 16 months after the date of enactment of this bill.

Section 5 repeals the changes made by sections 2 and 3 at the end of fiscal year 1996, which provides a three-year trial period.

Mr. Speaker, I reserve the balance of my time.

Mrs. MEYERS of Kansas. Mr. Speaker, I yield myself such time as I may consume.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in reluctant support of H.R. 2766.

H.R. 2766 seeks changes in the Small Business Administration's 7(a) general business guaranteed loan program. As Chairman LAFALCE noted, these changes are necessary if we are to meet the current demand for the guarantees with the level of funds the House and Senate are likely to appropriate for fiscal year 1994.

Some of the proposals aren't new. Both the Reagan and Bush administrations sought similar adjustments to promote deficit reduction while maintaining a viable program level to help small businesses secure loans. There were many reasons—both policy considerations and political differences—why Congress rejected the proposals.

Perhaps the greatest concern, however, was whether lenders, faced with lower guarantee levels, and increased fees of some kind or another, would continue to use the program to make loans to small firms.

This risk remains, and it threatens small businesses—enterprises that are already having grave difficulties finding the capital they need to maintain, or expand, operations.

However, I will reluctantly support changes in the 7(a) program as deficit reduction is vital to the economic well-being of our Nation. If we can make more loans for less money, while still protecting the taxpayers against losses, perhaps we should make the attempt.

During testimony before the Small Business Committee, the new SBA Administrator, Erskine Bowles, a former venture capitalist and small businessman himself, expressed his confidence that these changes would work. I'll accept his prediction based on that expertise.

Mr. Speaker, I have some very serious problems with a process that forces us to make program changes at breakneck speeds simply because of what the appropriators have done. The better and saner approach would be to first assess how these changes would affect the small business community and then weigh our options.

Regrettably, that choice is gone to us at this point. So in the interest of giving the SBA a fighting chance of helping small enterprises, I urge our colleagues to support passage of H.R. 2766.

Mr. Speaker, I yield back the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again I want to extend my very heartfelt thanks to the distinguished ranking minority member for the tremendous spirit of cooperation she and all the Members of her side of the aisle have shown on this difficult task of making a bigger pie with fewer ingredients, but, because of this bipartisan spirit, we were able to accomplish that, and for that I again thank her.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. LAFALCE] that the House suspend the rules and pass the bill, H.R. 2766, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. LAFALCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and also to include extraneous matter, on H.R. 2766, as amended, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York.

There was no objection.

#### REHABILITATION ACT AMENDMENTS OF 1993

Mr. OWENS. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1295) to amend the Rehabilitation Act of 1973 and the Education of the Deaf Act of 1986 to make technical and conforming amendments to the act, and for other purposes.

The Clerk read as follows:

S. 1295

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Rehabilitation Act Amendments of 1993".

#### TITLE I—REHABILITATION ACT OF 1973

##### SEC. 101. REFERENCES.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

##### SEC. 102. REHABILITATION ACT AMENDMENTS OF 1992.

The Rehabilitation Act Amendments of 1992 (Public Law 102-569; 106 Stat. 4344 et seq.) is amended—

(1) in section 102(a)(2) (relating to a section 7(3)), by adding closing quotations after "101(a)(1)(A).";

(2) in section 102(p)(7)(E) (relating to a section 101(a)(13)(B)), by striking "conditions" and inserting "condition";

(3) in section 138(b) (29 U.S.C. 701 note), to read as follows:

"(b) COMPLIANCE.—Each State agency subject to the provisions of title I of the Rehabilitation Act of 1973 shall comply with the amendments made by this subtitle, as soon as is practicable after the date of enactment of this Act, consistent with the effective and efficient administration of the Rehabilitation Act of 1973, but not later than October 1, 1993."; and

(4) in section 203(g)(5) (relating to a section 202(g)), by striking "adding at the end" and inserting "inserting after paragraph (3)".

##### SEC. 103. DEFINITIONS.

Section 7 (29 U.S.C. 706) is amended—

(1) in paragraph (3)—

(A) by striking "The term 'designated State unit' means" and inserting the following:

"(B) The term 'designated State unit' means"; and

(B) in subparagraph (B) (as designated by subparagraph (A) of this paragraph), in clause (ii), by striking "101(a)(B)(i)" and inserting "101(a)(1)(B)(i)";

(2) in paragraph (8)—

(A) in subparagraph (A), by striking "titles I, II, III, VI, and VIII" and inserting "title I, III, VI, or VIII"; and

(B) in subparagraph (B), by striking "IV and V" and inserting "II, IV, V, and VII";

(3) in paragraph (15)(A), in the matter preceding clause (i), by inserting a comma after "subparagraph (C)";

(4) in paragraph (18)(A)(ii)—

(A) by inserting "for the period, and any extension, described in paragraph (34)(C)" after "employment services";

(B) by striking "or" and inserting "and"; and

(C) by inserting "after the transition described in paragraph (27)(C)" after "extended services"; and

(5) in paragraph (26)(B), by striking "III, IV, V, and VIII" and inserting "IV, V, and VII".

##### SEC. 104. CARRYOVER.

Section 19(a) (29 U.S.C. 718(a)) is amended to read as follows:

"(a) IN GENERAL.—Except as provided in subsection (b), and notwithstanding any other provision of law—

"(1) any funds appropriated for a fiscal year to carry out any grant program under part B or C of title I, section 509 (except as provided in section 509(b)), part C of title VI, part B or C of chapter 1 of title VII, or chapter 2 of title VII (except as provided in section 752(b)), including any funds reallocated under any such grant program, that are not obligated and expended by recipients prior to the beginning of the succeeding fiscal year; or

"(2) any amounts of program income, including reimbursement payments under the Social Security Act (42 U.S.C. 301 et seq.), received by recipients under any grant program specified in paragraph (1) that are not obligated and expended by recipients prior to the beginning of the fiscal year succeeding the fiscal year in which such amounts were received,

shall remain available for obligation and expenditure by such recipients during such succeeding fiscal year."

##### SEC. 105. CLIENT ASSISTANCE INFORMATION.

Section 20 (29 U.S.C. 718a) is amended by striking "such individuals, or the parents," and inserting "such individuals who are applicants for or recipients of the services, or the parents,".

##### SEC. 106. TRADITIONALLY UNDERSERVED POPULATIONS.

Section 21(b) (29 U.S.C. 719b(b)) is amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by redesignating the second paragraph (3) as paragraph (4).

##### SEC. 107. VOCATIONAL REHABILITATION SERVICES.

(a) STATE PLANS.—Section 101(a) (29 U.S.C. 721(a)) is amended—

(1) in paragraph (10)(A), by striking "described in subparagraph (C)" and inserting "described in subparagraph (D)";

(2) in paragraph (32), by inserting "or independent commission described in paragraph (36)" after "Council";

(3) in paragraph (34)(B) by striking "part B" and inserting "section 110"; and

(4) in paragraph (36)—

(A) by amending subparagraph (B)(i) to read as follows:

"(i) is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation program in the State"; and

(B) in subparagraph (C)—

(1) by amending clause (i) to read as follows:

"(i) an independent commission is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation programs of both such agencies and meets the requirements of clauses (ii) and (iv) of subparagraph (B)"; and

(ii) by striking clause (ii) and inserting the following:

"(ii)(I) an independent commission is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation program in the State for individuals who are blind, is consumer-controlled by and represents individuals who are blind, and undertakes the function set forth in section 105(c)(3); and

"(II) an independent commission is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation program in the State for all individuals with disabilities except for individuals who are blind and meets the requirements of clauses (II) and (IV) of subparagraph (B); or

"(III) an independent commission is responsible under State law for operating, or overseeing the operation of, the vocational rehabilitation program in the State for individuals who are blind, is consumer-controlled by and represents individuals who are blind, and undertakes the function set forth in section 105(c)(3); and

"(II) the State has established a State Rehabilitation Advisory Council that meets the criteria set forth in section 105 and carries out the duties of such a Council with respect to functions for, and services provided to, individuals with disabilities except for individuals who are blind."

(b) INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM.—Section 102 (29 U.S.C. 722) is amended—

(1) in subsection (a)(5)(B), by striking "section 7(22)(A)(iii)" and inserting "section 7(22)(A)(ii)"; and

(2) in subsection (d)—

(A) in paragraph (2)(C)(ii)(I), by striking "who were appointed under one of subparagraphs (E) through (H) of section 105(b)(1);" and inserting "who were appointed under one of clauses (v) through (viii) of section 105(b)(1)(A), or under one of clauses (v) through (ix) of section 105(b)(1)(B), as appropriate"; and

(B) in paragraph (6)(B), by redesignating paragraphs (1) through (4) as clauses (i) through (iv), respectively.

(c) VOCATIONAL REHABILITATION SERVICES.—Section 103(a) (29 U.S.C. 723(a)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (D), by striking "a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select," and inserting "qualified personnel, under State licensure laws, that are selected by the individual,"; and

(B) in subparagraph (F), by striking "a physician or licensed psychologist" and all that follows and inserting "qualified personnel under State licensure laws"; and

(2) in paragraph (6), by striking "those individuals" and all that follows and inserting "those individuals determined to be blind after an examination by qualified personnel under State licensure laws";

(d) STATE REHABILITATION ADVISORY COUNCIL.—

(1) AMENDMENTS.—Section 105 (29 U.S.C. 725) is amended—

(A) in subsection (b)—

(i) by striking paragraph (1) and inserting the following:

"(1) COMPOSITION.—

"(A) IN GENERAL.—Except in the case of a separate Council established under subsection (a)(2), the Council shall be composed of—

"(i) at least one representative of the Statewide Independent Living Council established under section 705, which representative may be the chairperson or other designee of the Council;

"(ii) at least one representative of a parent training and information center established pursuant to section 631(e)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1431(e)(1));

"(iii) at least one representative of the client assistance program established under section 112;

"(iv) at least one vocational rehabilitation counselor, with knowledge of and experience with vocational rehabilitation programs, who shall serve as an ex officio, nonvoting member of the Council if the counselor is an employee of the designated State agency;

"(v) at least one representative of community rehabilitation program service providers;

"(vi) four representatives of business, industry, and labor;

"(vii) representatives of disability advocacy groups representing a cross section of—

"(I) individuals with physical, cognitive, sensory, and mental disabilities; and

"(II) parents, family members, guardians, advocates, or authorized representatives, of individuals with disabilities who have difficulty in representing themselves or are unable due to their disabilities to represent themselves; and

"(viii) current or former applicants for, or recipients of, vocational rehabilitation services.

"(B) SEPARATE COUNCIL.—In the case of a separate Council established under subsection (a)(2), the Council shall be composed of—

"(i) at least one representative described in subparagraph (A)(i);

"(ii) at least one representative described in subparagraph (A)(ii);

"(iii) at least one representative described in subparagraph (A)(iii);

"(iv) at least one vocational rehabilitation counselor described in subparagraph (A)(iv), who shall serve as described in such subparagraph;

"(v) at least one representative described in subparagraph (A)(v);

"(vi) four representatives described in subparagraph (A)(vi);

"(vii) at least one representative of a disability advocacy group representing individuals who are blind;

"(viii) at least one parent, family member, guardian, advocate, or authorized representative, of an individual who—

"(I) is an individual who is blind and has multiple disabilities; and

"(II) has difficulty in representing himself or herself or is unable due to disabilities to represent himself or herself; and

"(ix) applicants or recipients described in subparagraph (A)(viii).

"(C) EXCEPTION.—In the case of a separate Council established under subsection (a)(2), any Council that is required by State law, as in effect on the date of enactment of the Rehabilitation Act Amendments of 1992, to have fewer than 13 members shall be deemed to be in compliance with subparagraph (B) if the Council—

"(i) meets the requirements of subparagraph (B), other than the requirements of clauses (vi) and (ix) of such subparagraph; and

"(ii) includes at least—

"(I) one representative described in subparagraph (B)(vi); and

"(II) one applicant or recipient described in subparagraph (B)(ix)."; and

(ii) in paragraph (3)—

(I) in the first sentence, by striking "or the appropriate entity within the State responsible for making appointments"; and

(II) by inserting after the first sentence the following: "In the case of a State that, under State law, vests appointment authority in an entity in lieu of, or in conjunction with, the Governor, such as one or more houses of the State legislature, or an independent board that has general appointment authority, that entity shall make the appointments."; and

(B) in subsection (g), by inserting "(except for funds appropriated to carry out the client assistance program under section 112 and funds reserved pursuant to section 110(d) to carry out part D of this title)" before "to reimburse members".

(2) EFFECTIVE DATE.—In the case of a State that demonstrates to the satisfaction of the Secretary of Education that the State has designated a State agency to administer the part of the State plan under which vocational rehabilitation services are provided for individuals who are blind under section 101(a)(1)(A)(i) of the Rehabilitation Act of 1973, and has established by State law a separate Council to perform the duties of a State Rehabilitation Advisory Council with respect to such State agency, the Secretary may delay the effective date of all or part of section 105(b)(1)(B), as amended by paragraph (1), until October 1, 1994.

(e) STATE ALLOTMENTS.—Section 110(c) (29 U.S.C. 730(c)) is amended—

(1) in paragraph (2)—

(A) by striking "to pay for initial expenditures during"; and

(B) by inserting at the end the following: "The Commissioner shall make such amount available only if such other State will be able to make sufficient payments from non-Federal sources to pay for the non-Federal share of the cost of vocational rehabilitation services under the State plan for the fiscal year for which the amount was appropriated."; and

(2) by striking paragraph (4).

(f) PAYMENTS TO STATES.—Section 111(b) (29 U.S.C. 731(b)) is amended by moving paragraphs (1) and (2) 2 ems to the right.

(g) CLIENT ASSISTANCE PROGRAM.—Section 112 (29 U.S.C. 732) is amended—

(1) in the first sentence of subsection (a), by striking "facilities" and inserting "community rehabilitation programs"; and

(2) in subsection (e)(1)(D), by striking clause (ii) and inserting the following:

"(ii) For any fiscal year in which the total amount appropriated under subsection (h) exceeds the total amount appropriated under such subsection for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index For All Urban Consumers published by the Secretary of Labor under section 100(c)(1), the Secretary shall increase each of the minimum allotments under clause (i) by such percentage change in the Consumer Price Index For All Urban Consumers."

(h) INNOVATION AND EXPANSION GRANTS.—Section 124 (29 U.S.C. 744) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "this subsection" and inserting "paragraph (1)(B)"; and

(ii) in subparagraph (B), by striking "allotted" and inserting "allotted under paragraph (1)(A)"; and

(B) by striking paragraph (3) and inserting the following:

"(3) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1994, in which the total amount appropriated to carry out this part exceeds the total amount appropriated to carry out this part for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index For All Urban Consumers published by the Secretary of Labor under section 100(c)(1), the Commissioner shall increase the minimum allotment under paragraph (1)(B) by such percentage change in the Consumer Price Index For All Urban Consumers."; and

(2) by striking subsection (b) and inserting the following:

"(b) **PROPORTIONAL REDUCTION.**—To provide minimum allotments to States (as increased under subsection (a)(3)) under subsection (a)(1)(B), or to provide minimum allotments to States under subsection (a)(2)(B), the Commissioner shall proportionately reduce the allotments of the remaining States under subsection (a)(1)(A), with such adjustments as may be necessary to prevent the allotment of any such remaining State from being reduced to less than the minimum allotment for a State (as increased under subsection (a)(3)) under subsection (a)(1)(B), or the minimum allotment for a State under subsection (a)(2)(B), as appropriate."

#### SEC. 108. CLIENT INFORMATION.

Title I (29 U.S.C. 721 et seq.) is amended by adding at the end the following:

#### "PART E—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

#### "SEC. 140. REVIEW OF DATA COLLECTION AND REPORTING SYSTEM.

"(a) **REVIEW.**—The Commissioner shall conduct a comprehensive review of the current system for collecting and reporting data on clients of programs carried out under this Act, particularly data on clients of the programs carried out under this title.

#### "(b) **CONSIDERATIONS.**—

"(1) **CURRENT DATA.**—In conducting the review, the Commissioner shall examine the kind, quantity, and quality of the data that are currently collected and reported, taking into consideration the range of purposes that the data serve at the Federal, State, and local levels.

"(2) **ADDITIONAL INFORMATION.**—In conducting the review, the Commissioner shall examine the feasibility of collecting and reporting under the system information, if such information can be determined, with respect to each client participating in a program under this Act, regarding—

"(A) other programs in which the client participated during the 3 years before the date on which the client applied to participate in a program under this Act;

"(B) the number of jobs held, hours worked, and earnings received by the client during such 3 years;

"(C) the types of major and secondary disabilities of the client;

"(D) the dates of the onset of the disabilities;

"(E) the severity of the disabilities;

"(F) the source from which the client was referred to a program under this Act;

"(G) the hours worked by the client;

"(H) the size and industry code of the place of employment of the client at the time of entry into such a program and at the termination of services under the program;

"(I) the number of services provided to the client under the programs and the cost of each service;

"(J) the types of public support received by the client;

"(K) the primary sources of economic support and amounts of public assistance received by the client before and after receiving the services;

"(L) whether the client is covered by health insurance from any source and whether health insurance is available through the employer of the client;

"(M) the supported employment status of the client; and

"(N) the reasons for terminating the services received by the client.

"(c) **RECOMMENDATIONS.**—Based on the review, the Commissioner shall recommend improvements in the data collection and reporting system.

"(d) **VIEWS.**—In developing the recommendations, the Commissioner shall seek views of persons and entities providing or using such data, including State agencies, State Rehabilitation Advisory Councils, providers of vocational rehabilitation services, professionals in the field of vocational rehabilitation, clients and organizations representing clients, the National Council on Disability, other Federal agencies, non-Federal researchers, other analysts using the data, and other members of the public.

"(e) **PUBLICATION AND SUBMISSION OF REPORT.**—Not later than 18 months after the date of the enactment of the Rehabilitation Act Amendments of 1992 (Public Law 102-569), the Commissioner shall publish the recommendations in the Federal Register and shall prepare and submit a report containing the recommendations to the appropriate committees of Congress. The Commissioner shall not implement the recommendations earlier than 90 days after the date on which the Commissioner submits the report.

#### "SEC. 141. EXCHANGE OF DATA.

"(a) **EXCHANGE.**—The Secretary of Education and the Secretary of Health and Human Services shall enter into a memorandum of understanding for the purposes of exchanging data of mutual importance—

"(1) that concern clients of State vocational rehabilitation agencies; and

"(2) that are data maintained either by—

"(A) the Rehabilitation Services Administration, as required by section 13; or

"(B) the Social Security Administration, from its Summary Earnings and Records and Master Beneficiary Records.

"(b) **TREATMENT OF INFORMATION.**—For purposes of the exchange, the data described in subsection (a)(2)(B) shall not be considered return information (as defined in section 6103(b)(2) of the Internal Revenue Code of 1986) and, as appropriate, the confidentiality of all client information shall be maintained by both agencies."

#### SEC. 109. RESEARCH AND TRAINING.

(a) **NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION.**—Section 202 (29 U.S.C. 761a) is amended—

(1) in subsection (b)—

(A) in paragraph (2)(D), by striking "the individuals" and inserting "such individuals"; and

(B) in paragraph (4)(D), by striking "individuals" and inserting "individuals described in subparagraph (C)";

(2) in the fourth sentence of subsection (c)(2), by striking "In case of any vacancy in the office of the Director, the" and inserting "The"; and

(3) in subsection (g) in paragraph (3), by striking "and" at the end.

(b) **RESEARCH.**—Section 204 (29 U.S.C. 762) is amended—

(1) in subsection (a)—

(A) in the second sentence, by inserting "including projects addressing the needs described in the State plans submitted under section 101 or 704 by State agencies" before the period at the end; and

(B) in the third sentence, by striking "as described in the State plans submitted by the State agencies,"; and

(2) in subsection (b)—

(A) in paragraph (2)(G)(i), by striking "rehabilitation related" and inserting "rehabilitation-related";

(B) in paragraph (3)—

(i) in subparagraph (B)(iii)(I), by striking "family centered" and inserting "family-centered"; and

(ii) in subparagraph (C)(1)—

(I) by striking "Assistance to Individuals" and inserting "Assistance for Individuals"; and

(II) by striking the comma after "representatives of the individuals"; and

(C) in paragraph (4)(A), by moving clause (iii) 2 ems to the right.

#### SEC. 110. TRAINING AND DEMONSTRATION PROJECTS.

(a) **TRAINING.**—Section 302 (29 U.S.C. 771a) is amended—

(1) in subsection (d)—

(A) in the second sentence, by striking "local employees, who are recruited from or reside in" and inserting "local residents, who are recruited from"; and

(B) by inserting after the second sentence a new sentence to read as follows: "Entities receiving grants to carry out projects under this subsection shall coordinate the activities carried out through the projects with the activities of State vocational rehabilitation agencies to promote the employment of the individuals trained to be rehabilitation technicians."; and

(2) in subsection (h), to read as follows:

"(h) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 1993 through 1997."

(b) **AUTHORIZATION OF APPROPRIATIONS.**—Section 310 (29 U.S.C. 777) is amended by striking "sections 311(d), 311(e)," and inserting "sections 311(c), 311(d)."

(c) **SPECIAL DEMONSTRATION PROGRAMS.**—Section 311 (29 U.S.C. 777a) is amended—

(1) in subsection (a)(1), by striking the comma at the end and inserting a semicolon; and

(2) in subsection (c)(1)(B) by inserting "and" before "(iii)".

(d) **SPECIAL RECREATIONAL PROGRAMS.**—Section 316(a)(1) (29 U.S.C. 777f(a)(1)) is amended in the first sentence, by striking "handicapped individuals" and inserting "individuals with disabilities".

#### SEC. 111. NATIONAL COUNCIL ON DISABILITY.

Section 403(a)(2) (29 U.S.C. 783(a)(2)) is amended by striking "seven" and inserting "eight".

#### SEC. 112. RIGHTS AND ADVOCACY.

(a) **EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES.**—Section 501(a) (29 U.S.C. 791(a)) is amended in the first sentence, by inserting a comma after "Veterans Affairs".

(b) **ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.**—Section 502(a)(5)(A) (29 U.S.C. 792(a)(5)(A)) is amended by striking "the daily equivalent of the rate of pay for level 4 of the Senior Executive Service Schedule under section 5382" and inserting "the daily equivalent of the rate of pay for level IV of the Executive Schedule under section 5315".

(c) **RIGHTS AND ADVOCACY.**—Section 509 (29 U.S.C. 794e) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

"(1) need services that are beyond the scope of services authorized to be provided by the client assistance program under section 112; and";

(2) by striking subsection (b) and inserting the following:

"(b) **APPROPRIATIONS LESS THAN \$5,500,000.**—For any fiscal year in which the amount appropriated to carry out this section is less than \$5,500,000, the Commissioner may make grants from such amount to eligible systems within States to plan for, develop outreach strategies for, and carry out protection and advocacy programs authorized under this section for individuals with disabilities who meet the requirements of paragraphs (1) and (2) of subsection (a).";

(3) in subsection (c)—

(A) in paragraph (4)—

(i) in subparagraph (A), by striking "this subsection" and inserting "paragraph (3)(B)"; and

(ii) in subparagraph (B), by striking "allotted" and inserting "allotted under paragraph (3)(A)"; and

(B) by striking paragraph (5) and inserting the following:

"(5) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1994, in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index For All Urban Consumers published by the Secretary of Labor under section 100(c)(1), the Commissioner shall increase the minimum allotment under paragraphs (3)(B) and (4)(B) by such percentage change in the Consumer Price Index For All Urban Consumers.";

(4) by striking subsection (d) and inserting the following:

"(d) PROPORTIONAL REDUCTION.—To provide minimum allotments to systems within States (as increased under subsection (c)(5)) under subsection (c)(3)(B), or to provide minimum allotments to systems within States (as increased under subsection (c)(5)) under subsection (c)(4)(B), the Commissioner shall proportionately reduce the allotments of the remaining systems within States under subsection (c)(3), with such adjustments as may be necessary to prevent the allotment of any such remaining system within a State from being reduced to less than the minimum allotment for a system within a State (as increased under subsection (c)(5)) under subsection (c)(3)(B), or the minimum allotment for a State (as increased under subsection (c)(5)) under subsection (c)(4)(B), as appropriate.";

(5) by redesignating subsection (i) as subsection (n);

(6) in subsection (i), to read as follows:

"(i) Notwithstanding subsection (n), a protection and advocacy system that—

"(1) received funds for fiscal year 1992, under section 731 of this Act, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992, to carry out a project; and

"(2) receives a continuation award for such project for fiscal year 1993, shall not be eligible to receive additional funds under this section for fiscal year 1993.";

(7) by striking subsection (j) and inserting the following:

"(j) ADMINISTRATIVE COST.—In any State in which an eligible system is located within a State agency, a State may use a portion of any allotment under subsection (c) for the cost of the administration of the system required by this section. Such portion may not exceed 5 percent of the allotment.".

#### SEC. 113. AVAILABILITY OF SERVICES.

Section 633 (29 U.S.C. 7951) is amended by striking "subsection (c) or (f)" and inserting "subsection (b) or (c)".

#### SEC. 114. INDEPENDENT LIVING SERVICES AND CENTERS FOR INDEPENDENT LIVING.

(a) PURPOSE.—Section 701(3) (29 U.S.C. 796(3)) is amended by striking "other Federal programs" and inserting "other Federal law".

(b) STATE PLAN.—Section 704(c)(2) (29 U.S.C. 796(c)(2)) is amended by striking "programs under parts B and C" and insert-

ing "a program under part B, and a program under part C in a case in which the program is administered by the State under section 723".

(c) STATEWIDE INDEPENDENT LIVING COUNCIL.—Section 705 (29 U.S.C. 795d) is amended—

(1) in the second sentence of subsection (a), by striking "another" and inserting "a";

(2) in subsection (b)—

(A) by striking paragraph (4) and inserting the following:

"(4) QUALIFICATIONS.—

"(A) IN GENERAL.—The Council shall be composed of members—

"(i) who provide statewide representation;

"(ii) who represent a broad range of individuals with disabilities;

"(iii) who are knowledgeable about centers for independent living and independent living services; and

"(iv) a majority of whom are persons who are—

"(I) individuals with disabilities described in section 7(8)(B); and

"(II) not employed by any State agency or center for independent living.

"(B) VOTING MEMBERS.—A majority of the voting members of the Council shall be—

"(i) individuals with disabilities described in section 7(8)(B); and

"(ii) not employed by any State agency or center for independent living.";

(B) in paragraph (5)—

(i) in subparagraph (A), by inserting "voting" before "membership"; and

(ii) in subparagraph (B), by inserting "voting" before "member" each place the term appears; and

(3) in subsection (c)(1)—

(A) by striking "submit" and inserting "sign"; and

(B) by striking "designated State agency" and inserting "designated State unit".

(d) RESPONSIBILITIES OF THE COMMISSIONER.—Section 706(c)(1) (29 U.S.C. 796d-1(c)(1)) is amended—

(1) in the first sentence, by striking "part C" and inserting "section 722";

(2) by inserting after the second sentence the following: "The Commissioner shall annually conduct onsite compliance reviews of at least one-third of the designated State units that receive funding under section 723, and, to the extent necessary to determine the compliance of such a State unit with subsections (f) and (g) of section 723, centers that receive funding under section 723 in such State.";

(3) in the last sentence, by inserting "and such State units" after "select such centers".

(e) INDEPENDENT LIVING SERVICES ALLOTMENTS.—Section 711 (29 U.S.C. 796e) is amended—

(1) in subsection (a)—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking "this subsection" and inserting "paragraph (1)(C)"; and

(ii) in subparagraph (B), by striking "allotted" and inserting "allotted under paragraph (1)(A)"; and

(B) by striking paragraph (3) and inserting the following:

"(3) ADJUSTMENT FOR INFLATION.—For any fiscal year, beginning in fiscal year 1994, in which the total amount appropriated to carry out this part exceeds the total amount appropriated to carry out this part for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index For All Urban Consumers published by the Secretary of

Labor under section 100(c)(1), the Commissioner shall increase the minimum allotment under paragraph (1)(C) by such percentage change in the Consumer Price Index For All Urban Consumers.";

(2) by striking subsection (b) and inserting a new subsection (b) to read as follows:

"(b) PROPORTIONAL REDUCTION.—To provide allotments to States in accordance with subsection (a)(1)(B), to provide minimum allotments to States (as increased under subsection (a)(3)) under subsection (a)(1)(C), or to provide minimum allotments to States under subsection (a)(2)(B), the Commissioner shall proportionately reduce the allotments of the remaining States under subsection (a)(1)(A), with such adjustments as may be necessary to prevent the allotment of any such remaining State from being reduced to less than the amount required by subsection (a)(1)(B)."

(f) PAYMENTS TO STATES FROM ALLOTMENTS.—Section 712(b) (29 U.S.C. 796e-1(b)) is amended by striking paragraph (3).

(g) AUTHORIZED USES OF FUNDS.—Section 713(3) (29 U.S.C. 796e-2(3)) is amended by inserting "that are in compliance with the standards and assurances set forth in subsections (b) and (c) of section 725" after "living".

(h) CENTERS FOR INDEPENDENT LIVING.—Section 721 (29 U.S.C. 796f) is amended—

(1) in subsection (b)(1)—

(A) by inserting "to eligible agencies, centers for independent living, and Statewide Independent Living Councils" after "assistance"; and

(B) by striking "of such funds" and inserting "of the funds appropriated to carry out this part for the fiscal year involved";

(2) in subsection (c)—

(A) in paragraph (1)—

(i) by striking "Except as provided in subparagraphs (B) and (C) and after" and inserting "After"; and

(ii) by inserting ", and except as provided in subparagraphs (B) and (C)," after "made";

(B) in paragraph (2)—

(i) in subparagraph (A), by striking "this subsection" and inserting "paragraph (1)(C)"; and

(ii) in subparagraph (B), by striking "allotted" and inserting "allotted under paragraph (1)(A)"; and

(C) by adding a new paragraph (4) to read as follows:

"(4) PROPORTIONAL REDUCTION.—To provide allotments to States in accordance with paragraph (1)(B), to provide minimum allotments to States (as increased under paragraph (3)) under paragraph (1)(C), or to provide minimum allotments to States under paragraph (2)(B), the Commissioner shall proportionately reduce the allotments of the remaining States under paragraph (1)(A), with such adjustments as may be necessary to prevent the allotment of any such remaining State from being reduced to less than the amount required by paragraph (1)(B)."; and

(3) in subsection (e)—

(A) in paragraph (1)(A), by striking "whichever is greater"; and

(B) in paragraph (2)(B)—

(i) in the first sentence of clause (i)—

(I) by striking "Private nonprofit agencies" and inserting "Entities";

(II) by striking "if the agencies submit" and inserting "if the entities submit"; and

(III) by striking "agencies will meet the standards described in section 725(b) and" and inserting "entities will be private nonprofit agencies that meet the standards described in section 725(b), and"; and

(ii) by adding a new clause (iii) to read as follows:

"(iii) FUNDING METHOD.—In making awards under this subsection, the Secretary shall distribute funds in accordance with paragraphs (1), (2), and (4) of subsection (c), and subsection (d)."

(1) GRANTS BY COMMISSIONER.—Section 722 (29 U.S.C. 796f-1) is amended—

(1) in subsection (c), by striking "is receiving funds under this part on" and inserting "has been awarded a grant under this part by";

(2) in subsection (d)(1), by inserting "proposing to serve such region" after "qualified applicant";

(3) by redesignating subsection (f) as subsection (g); and

(4) by inserting after subsection (e) the following:

"(f) NONRESIDENTIAL AGENCIES.—A center that provides or manages residential housing after October 1, 1994, shall not be considered to be an eligible agency under this section."

(j) GRANTS BY DESIGNATED STATE UNIT.—Section 723 (29 U.S.C. 796f-2) is amended—

(1) in subsection (a)—

(A) in paragraph (1)(A)(iii), by inserting before the period at the end the following: "making such adjustments as may be necessary to accommodate State funding cycles such as 2-year funding cycles or State fiscal years that do not coincide with the Federal fiscal year"; and

(B) in paragraph (3), by inserting "eligible agencies in" before "the State in accordance";

(2) in subsection (c), by striking "is receiving funds under this part on" and inserting "has been awarded a grant under this part by";

(3) by redesignating subsections (f), (g), and (h) as subsections (g), (h), and (i), respectively;

(4) by inserting after subsection (e) the following:

"(f) NONRESIDENTIAL AGENCIES.—A center that provides or manages residential housing after October 1, 1994, shall not be considered to be an eligible agency under this section."

(5) in subsection (g) (as redesignated by paragraph (3) of this subsection), in paragraph (2)(B), by striking "(h)" each place the term appears and inserting "(i)"; and

(6) in subsection (h) (as redesignated by paragraph (3) of this subsection), by striking the first sentence and inserting the following: "The director of the designated State unit shall annually conduct onsite compliance reviews of at least 15 percent of the centers for independent living that receive funding under this section in the State."

(k) CENTERS OPERATED BY STATE AGENCIES.—Section 724(b)(1)(A) (29 U.S.C. 796f-3(b)(1)(A)) is amended by striking "fiscal year 1993" and inserting "the fiscal year".

(l) STANDARDS AND ASSURANCES.—Section 725(b)(2) (29 U.S.C. 796f-4(b)(2)) is amended—

(1) in the second sentence—

(A) by inserting "severe" before "disabilities who are members of"; and

(B) by striking "Act" and inserting "title"; and

(2) in the third sentence, by inserting "shall be determined by the center, and" before "shall not be based".

(m) PROGRAMS OF GRANTS.—Section 752 (29 U.S.C. 796k) is amended—

(1) in subsection (a)(2), by striking "UNIT" and inserting "AGENCY";

(2) in subsection (b), to read as follows:

"(b) CONTINGENT COMPETITIVE GRANTS.—Beginning with fiscal year 1993, in the case of any fiscal year for which the amount appropriated under section 753 is less than \$13,000,000, grants made under subsection (a) shall be—

"(1) discretionary grants made on a competitive basis to States; or

"(2) grants made on a noncompetitive basis to pay for the continuation costs of activities for which a grant was awarded—

"(A) under this chapter; or

"(B) under part C, as in effect on the day before the date of enactment of the Rehabilitation Act Amendments of 1992."; and

(3) in subsection (j)—

(A) by striking "and" at the end of paragraph (1)(A) and inserting "or"; and

(B) by striking "and" at the end of paragraph (2)(A)(i) and inserting "or".

#### SEC. 115. TABLE OF CONTENTS.

The table of contents (Public Law 93-112; 87 Stat. 356) is amended—

(1) by adding after the items relating to title I the following:

#### "PART E—VOCATIONAL REHABILITATION SERVICES CLIENT INFORMATION

"Sec. 140. Review of data collection and reporting system.

"Sec. 141. Exchange of data.";

and

(2) by striking the item relating to part B of title III and inserting the following:

#### "PART B—SPECIAL PROJECTS AND SUPPLEMENTARY SERVICES".

#### TITLE II—EDUCATION OF THE DEAF ACT OF 1986

#### SEC. 201. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This title may be cited as the "Education of the Deaf Act Amendments of 1993".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.).

#### SEC. 202. GENERAL AMENDMENT.

The Act (20 U.S.C. 4301 et seq.) is amended by striking "the Institute" each place that such appears and inserting "NTID".

#### SEC. 203. AMENDMENTS TO TITLE I.

(a) SECTION 101.—Section 101(a) (20 U.S.C. 4301(a)) is amended by inserting a comma after "Hereafter".

(b) SECTION 102.—Section 102(b) (20 U.S.C. 4302(b)) is amended—

(1) in paragraph (1), by striking "of Education"; and

(2) in paragraph (2), by striking "but if invested" and inserting "but, if invested".

(c) SECTION 103.—Section 103 (20 U.S.C. 4303) is amended—

(1) in subsection (a)—

(A) by striking "members selected as follows" in paragraph (1) and inserting "members who shall include—";

(B) by inserting a comma after "Association" in paragraph (1)(B);

(C) by redesignating paragraph (2) as paragraph (3); and

(D) by redesignating the second sentence of paragraph (1) as paragraph (2); and

(2) in subsection (b)—

(A) by inserting a comma after "facilities" in paragraph (1);

(B) in paragraph (4)—

(i) by striking "or individuals who are" and inserting "or"; and

(ii) by striking the period at the end thereof and inserting in lieu thereof a semicolon; and

(C) by striking out "the provisions of" in paragraph (8).

(d) SECTION 104.—Section 104 (20 U.S.C. 4304) is amended—

(1) in the section heading, by striking "EDUCATIONAL" and inserting "EDUCATION";

(2) in subsection (a)(1)—

(A) by striking "elementary and secondary programs" each place that such appears and inserting "elementary and secondary education programs";

(B) by striking "and individuals who are" in subparagraph (A) and inserting "or";

(C) by striking "non-English speaking" in subparagraph (B) and inserting "non-English-speaking"; and

(D) in subparagraph (C)—

(i) by striking "individuals" each place that such appears and inserting "students";

(ii) in clause (i), by striking "deaf," and inserting "deaf from the age of onset of deafness to age fifteen, inclusive, but not beyond the eighth grade or its equivalent,"; and

(iii) in clause (ii), by striking "deaf," and inserting "deaf from grades nine through twelve, inclusive,";

(3) in subsection (b)(1)—

(A) by striking "infants and children" in subparagraph (A) and inserting "infants, children, and youth"; and

(B) by striking the semicolon at the end of subparagraph (C) and inserting a period; and

(4) in subsection (b)(4)—

(A) by striking "programs" in subparagraph (A) and inserting "program";

(B) by striking "students to and from those programs" in subparagraph (B) and inserting "the child to and from that program"; and

(C) by striking "decisions" in subparagraph (C)(iii) and inserting "a decision".

(e) SECTION 105.—Section 105(b) (20 U.S.C. 4305(b)) is amended—

(1) in paragraph (2), by striking "shall" and inserting "will"; and

(2) in paragraph (4)—

(A) by striking "Elementary School and the Model" and inserting "Elementary School or the Model"; and

(B) by striking "and the Secretary" and inserting "except that the Secretary".

(f) SECTION 111.—Section 111 (20 U.S.C. 4311) is amended by striking "title" and inserting "part".

(g) SECTION 112.—Section 112 (20 U.S.C. 4312) is amended—

(1) in the section heading by striking "INSTITUTE" and inserting in lieu thereof "NATIONAL TECHNICAL INSTITUTE FOR THE DEAF";

(2) in subsection (a)—

(A) by striking "Act" in paragraph (1) and inserting "part"; and

(B) by striking the first two commas in paragraph (2);

(3) in subsection (b)—

(A) in paragraph (3)—

(i) by striking "Secretary an annual report, including" and inserting "Secretary, not later than June 1 following the fiscal year for which the report is submitted, an annual report containing";

(ii) by striking "which report" and inserting "which accounting"; and

(iii) by striking the comma after "Representatives";

(B) by striking "and" at the end of paragraph (4);

(C) in paragraph (5)—

(i) by striking "and the Secretary" and inserting "except that the Secretary"; and

(ii) by striking the period at the end thereof and inserting a semicolon and "and"; and

(D) by striking "or individuals who are" in paragraph (6) and inserting "or"; and

(4) in subsection (c), by inserting a comma after "If".

**SEC. 204. AMENDMENTS TO TITLE II.**

(a) SECTION 201.—Section 201 (20 U.S.C. 4351) is amended—

(1) in paragraph (1)(B), by striking "United States; or" and inserting "United States; and"; and

(2) by striking paragraphs (3) and (5); and  
(3) by redesignating paragraphs (4), (6), (7), (8), and (9) as paragraphs (3), (4), (5), (6), and (7), respectively."

(b) SECTION 203.—Subsection (b) of section 203 (20 U.S.C. 4353(b)) is amended to read as follows:

"(b) INDEPENDENT AUDIT.—Gallaudet University shall have an annual independent financial audit made of the programs and activities of the University. The institution of higher education with which the Secretary has an agreement under section 112 shall have an annual independent financial audit made of the programs and activities of such institution of higher education, including NTID, and containing specific schedules and analyses for all NTID funds, as determined by the Secretary."

(c) SECTION 204.—Section 204 (20 U.S.C. 4354) is amended—

(1) in paragraph (1), by striking "first time" and inserting "first-time";

(2) in paragraph (2)(G)—

(A) by striking "Individualized Education Programs" and inserting "individualized education programs"; and

(B) by inserting "or hard of hearing" after "children who are deaf";

(3) in paragraph (3), to read as follows:

"(3)(A) The annual audited financial statements and auditor's report of the University, as required under section 203, and (B) the annual audited financial statements and auditor's report of the institution of higher education with which the Secretary has an agreement under section 112, including specific schedules and analyses for all NTID funds, as required under section 203, and such supplementary schedules presenting financial information for NTID for the end of the Federal fiscal year as determined by the Secretary."; and

(4) in paragraph (6), by striking "Program is" and inserting "Program funds are".

(d) SECTION 205.—Section 205(a) (20 U.S.C. 4355(a)) is amended—

(1) by inserting "or hard of hearing" after "individuals who are deaf"; and

(2) by striking "the provisions of".

(e) SECTION 206.—Section 206(b) (20 U.S.C. 4356(b)) is amended by inserting "or hard of hearing" after "individuals who are deaf".

(f) SECTION 207.—Section 207 (20 U.S.C. 4357) is amended—

(1) in subsection (c)(3), by striking "Advisory Board of NTID" and inserting "advisory group established under section 112";

(2) in subsection (e), by striking "investment limitations and" and inserting "investment limitations or"; and

(3) in subsection (1), by striking "the provisions of the Education of the Deaf Act of 1986" and inserting "this Act as enacted on August 4, 1986".

(g) SECTION 209.—Section 209 (20 U.S.C. 4359) is amended—

(1) in subsection (a), by striking "title II" and inserting "part B of title I"; and

(2) in subsection (b), by striking "the provisions of".

(h) SECTION 210.—Section 210 (20 U.S.C. 4360) is amended—

(1) in subsection (b), by striking "75 percent beginning the academic year 1993-1994, and 90 percent beginning the academic year 1994-1995" and inserting "75 percent for the academic year 1993-1994 and 90 percent beginning with the academic year 1994-1995"; and

(2) in subsection (c)—

(A) by striking "Beginning the academic year 1993-1994 and thereafter" and inserting "Beginning with the academic year 1993-1994"; and

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively.

(i) SECTION 211.—Section 211(a) (20 U.S.C. 4361(a)) is amended by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively.

**TITLE III—OTHER ACTS****SEC. 301. COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE BLIND OR SEVERELY DISABLED.**

Section 1 of the Act entitled "An Act to Create a Committee on Purchases of Blind-made Products, and for other purposes", approved June 25, 1938 (commonly known as the Wagner-O'Day Act; 41 U.S.C. 46) is amended by striking "From People Who Are Blind and Severely Disabled" and inserting "From People Who Are Blind or Severely Disabled".

**SEC. 302. INDIVIDUALS WITH DISABILITIES EDUCATION ACT.**

Section 631(a) of the Individuals with Disabilities Education Act (20 U.S.C. 1431(a)) is amended by redesignating the second paragraph (8), as added by section 912(a) of the Rehabilitation Act Amendments of 1992 (Public Law 102-569), as paragraph (9).

The SPEAKER pro tempore. The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes and the gentleman from North Carolina [Mr. BALLENGER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

**GENERAL LEAVE**

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1430

Mr. OWENS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1295, the rehabilitation act amendments of 1993. This legislation merely makes technical and conforming changes to the Rehabilitation Act of 1973 and the Education of the Deaf Act of 1986. These changes will ensure that the intent of Congress—to empower consumers to participate more fully in an improved rehabilitation system—will be clearly translated by the Department of Education into regulations for the States.

I commend my staff, the staff of the Committee on Education and Labor, and the Senate staff for a fully bipartisan, bicameral effort which resulted in this comprehensive technical bill.

Mr. Speaker, I reserve the balance of my time.

Mr. BALLENGER. Mr. Speaker, I yield myself such time as I may consume.

Today, I rise in support of S. 1295, a bill making technical corrections to the Rehabilitation Act Amendments of 1992 and the Education of the Deaf Act Amendments of 1992. Last year, this Congress passed both of these laws and since that time several technical changes have come to our attention that need to be made. S. 1295 is identical to H.R. 2723, introduced by Congressman OWENS on July 23, and co-sponsored by Congressman GOODLING and myself. This is a bipartisan bill and I urge my colleagues to support its passage.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the Senate bill, S. 1295.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

**TECHNOLOGY-RELATED ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES**

Mr. OWENS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2339) to amend the Technology-Related Assistance for Individuals With Disabilities Act of 1988 to authorize appropriations for each of the fiscal years 1994 through 1998, as amended.

The Clerk read as follows:

H.R. 2339

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the "Technology-Related Assistance for Individuals With Disabilities Amendments of 1993".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings and purposes.

Sec. 3. Definitions.

**TITLE I—GRANTS TO STATES**

Sec. 101. Program authorized.

Sec. 102. Development grants.

Sec. 103. Extension grants.

Sec. 104. Second extension grants.

Sec. 105. Progress reports.

Sec. 106. Administrative provisions.

Sec. 107. Information and technical assistance.

Sec. 108. Funding.

**TITLE II—PROGRAMS OF NATIONAL SIGNIFICANCE**

Sec. 201. Programs authorized.

**TITLE III—ALTERNATIVE FINANCING MECHANISMS**

Sec. 301. Alternative financing mechanisms authorized.

**TITLE IV—AMENDMENTS TO OTHER ACTS**

Sec. 401. Individuals With Disabilities Education Act.

Sec. 402. Rehabilitation Act of 1973.

Sec. 403. Technical and conforming amendments.

#### TITLE V—EFFECTIVE DATE

Sec. 501. Effective date.

#### SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Section 2(a) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201(a)) is amended to read as follows:

“(a) FINDINGS.—The Congress finds as follows:

“(1) Disability is a natural part of the human experience and in no way diminishes the right of individuals—

“(A) to live independently;

“(B) to enjoy self-determination;

“(C) to make choices;

“(D) to contribute to society;

“(E) to pursue meaningful careers; and

“(F) to enjoy full inclusion and integration in the economic, political, social, cultural, and educational mainstream of American society.

“(2) During the past decade, there have been major advances in modern technology. Technology is now a powerful force in the lives of all residents of the United States. Technology can provide important tools for making the performance of tasks quicker and easier. For some individuals with disabilities, assistive technology is a necessity that enables them to engage in or perform many tasks.

“(3) The provision of assistive technology devices and services enables some individuals with disabilities—

“(A) to have greater control over their own lives;

“(B) to participate in and contribute more fully to activities in their home, school, and work environments, and in their communities;

“(C) to interact to a greater extent with non-disabled individuals; and

“(D) to otherwise benefit from opportunities that are taken for granted by individuals who do not have disabilities.

“(4) Substantial progress has been made in the development of assistive technology devices, including adaptations to existing equipment, which significantly benefit individuals of all ages with disabilities. Such devices have increased the involvement of individuals with disabilities in programs and activities such as early intervention, education, rehabilitation and training, employment, residential living, independent living, recreation, and other aspects of daily living. Dual-use technology is critical to the further development of assistive technology devices.

“(5) Many individuals with disabilities cannot access existing telecommunications and information technologies and are at risk of not being able to access developing technologies. The inadvertent failure of Federal and State governments, hardware manufacturers, software designers, information systems managers, and telecommunications service providers to account for the specific needs of individuals with disabilities not only results in the exclusion of such individuals from the use of telecommunications and information technologies, but also results in unnecessary costs associated with the retrofitting of devices and product systems.

“(6) The use of assistive technology devices and services by individuals with disabilities increases such individuals' ability to be independent, which reduces expenditures associated with early intervention, education, rehabilitation, health care, transportation, telecommunication services, and other services required by such individuals.

“(7) A majority of States have technology-related assistance programs. In spite of the efforts made by such programs to provide comprehensive, statewide services, there remains a need for—

“(A) resources to pay for assistive technology devices and services;

“(B) trained personnel to assist individuals with disabilities to use such devices and services;

“(C) information about the availability and potential of technology for individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals;

“(D) aggressive outreach to underrepresented populations and rural populations;

“(E) coordination among State human services programs, and among such programs and private entities, particularly with respect to transitions between such programs and entities; and

“(F) capacity of such programs to provide the necessary technology-related assistance.

“(8) There are insufficient incentives for the commercial pursuit of the application of technology devices to meet the needs of individuals with disabilities, because of limited markets.

“(9) At the Federal level, there is a lack of coordination among agencies that provide or pay for the provision of assistive technology devices and services. In addition, the Federal Government does not provide adequate assistance and information with respect to the use of assistive technology devices and services to individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals.”

(b) PURPOSES.—Section 2(b) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201(b)) is amended to read as follows:

“(b) PURPOSES.—The purposes of this Act are as follows:

“(1) To provide financial assistance to the States to develop and implement a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance for individuals of all ages with disabilities that is designed to create systemic change and foster advocacy by—

“(A) increasing the availability of, funding for, and access to, assistive technology devices and services for individuals with disabilities;

“(B) increasing the active involvement of individuals with disabilities and their family members, guardians, advocates, and authorized representatives in the planning, development, implementation, and evaluation of technology-related assistance programs;

“(C) increasing the involvement of individuals with disabilities and their family members, guardians, advocates, and authorized representatives in specific agency decisions related to the provision of assistive technology devices and services to individuals with disabilities;

“(D) increasing and promoting coordination among State agencies and between State agencies and private entities that provide technology-related assistance, particularly assistive technology devices and services;

“(E) increasing the awareness of laws, regulations, policies, procedures, and practices that facilitate the availability or provision of assistive technology devices and services and by promoting the change of laws, regulations, policies, procedures, and practices that impede the availability or provision of assistive technology devices and services;

“(F) increasing the probability that individuals of all ages with disabilities will, to the extent appropriate, be able to secure and maintain assistive technology devices as such individuals make the transition between services offered by human service agencies or between settings of daily living;

“(G) increasing the competence of personnel who provide technology-related assistance, including assistive technology devices and services;

“(H) increasing awareness and knowledge of the efficacy of assistive technology devices and services among individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals;

“(I) increasing the capacity of public agencies and private entities to provide and pay for technology-related assistance on a statewide basis, particularly assistive technology devices and services, for individuals of all ages with disabilities; and

“(J) increasing the awareness of the needs of individuals with disabilities for assistive technology devices and services.

“(2) To identify Federal policies that facilitate payment for assistive technology devices and services for individuals with disabilities, to identify Federal policies that impede such payment, and to eliminate inappropriate barriers to such payment.

“(3) To enhance the ability of the Federal Government to provide States with—

“(A) technical assistance, information, training, and public awareness programs relating to the provision of assistive technology devices and services; and

“(B) funding for model demonstration and innovation projects.

“(4) To ensure that all programs, projects, and activities receiving assistance under this Act are carried out in a manner consistent with the principles of—

“(A) respect for individual dignity, personal responsibility, and self-determination in the pursuit of meaningful careers, based on informed choice, by individuals with disabilities;

“(B) respect for the privacy, rights, and equal access (including the use of accessible formats), of such individuals;

“(C) inclusion, integration, and full participation of such individuals;

“(D) support for the involvement of family members, guardians, advocates, or authorized representatives if an individual with a disability requests, desires, or needs such support; and

“(E) support for individual and systemic advocacy and community involvement.”

#### SEC. 3. DEFINITIONS.

Section 3 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2202) is amended—

(1) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (2), (3), (7), (9), (11), (12), (14), and (15), respectively;

(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:

“(1) ADVOCACY SERVICES.—The term ‘advocacy services’ means assistance to individuals with disabilities and their family members, guardians, advocates, and authorized representatives in accessing assistive technology devices and services to which individuals with disabilities are entitled under law. Such term includes—

“(A) dissemination of information;

“(B) individual case management;

“(C) training individuals to locate funding sources; and

"(D) pursuit of legal and other appropriate remedies.";

(3) in paragraph (3)(E) (as redesignated by paragraph (1)), by striking "family" and all that follows and inserting "the family members, guardians, advocates, or authorized representatives of such an individual; and";

(4) by inserting after paragraph (3) (as redesignated by paragraph (1)) the following:

"(4) **COMPREHENSIVE.**—The term 'comprehensive', when used with reference to a program, means a statewide program that addresses the needs of all individuals with disabilities, including underrepresented populations and rural populations, who can benefit from the use of assistive technology devices and services regardless of age, type of disability, gender, race, or ethnicity.

"(5) **CONSUMER-DRIVEN.**—The term 'consumer-driven', when used with reference to a program, means a statewide program that includes individuals with disabilities and their family members, guardians, advocates, and authorized representatives, including underrepresented populations and rural populations, in the development, implementation, and evaluation of the program.

"(6) **CONSUMER-RESPONSIVE.**—The term 'consumer-responsive', when used with reference to a program, means a statewide program that provides information, training, technical assistance, and transportation and related services to enable individuals of all ages with disabilities to access assistive technology devices and services.";

(5) in paragraph (7) (as redesignated by paragraph (1))—

(A) by striking the matter preceding subparagraph (A) and inserting the following:

"(7) **INDIVIDUAL WITH A DISABILITY.**—The term 'individual with a disability' means any individual—"; and

(B) in subparagraph (A), by striking "or handicap";

(6) by inserting after paragraph (7) (as redesignated by paragraph (1)) the following:

"(8) **INDIVIDUALS WITH DISABILITIES.**—The term 'individuals with disabilities' means more than one individual with a disability.";

(7) in paragraph (9) (as redesignated by paragraph (1)), by striking "section 435(b)" and inserting "section 481(a)";

(8) by inserting after paragraph (9) (as redesignated by paragraph (1)) the following:

"(10) **PROTECTION AND ADVOCACY SERVICES.**—The term 'protection and advocacy services' means services that—

"(A) are described in part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.), the Protection and Advocacy for Mentally Ill Individuals Act (42 U.S.C. 10801 et seq.), or section 509 of the Rehabilitation Act of 1973 (29 U.S.C. 794e); and

"(B) assist individuals with disabilities and their family members, guardians, advocates, and authorized representatives with respect to assistive technology devices and services.";

(9) in paragraph (12) (as redesignated by paragraph (1)), by striking "Trust" and all that follows and inserting "Republic of Palau (until the Compact of Free Association with Palau takes effect).";

(10) by inserting after paragraph (12) (as redesignated by paragraph (1)) the following:

"(13) **SYSTEMS CHANGE ACTIVITIES.**—The term 'systems change activities' means activities—

"(A) to identify laws, regulations, policies, procedures, and practices that are legal or service delivery barriers impeding access to assistive technology devices and services;

"(B) to develop, modify, revise, correct, or adjust State or local laws, regulations, policies, procedures, and practices to allow individuals with disabilities to access assistive technology devices and services; and

"(C) to increase funding for, and access to, assistive technology devices and services on a permanent basis."; and

(11) by amending paragraph (15) (as redesignated by paragraph (1)) to read as follows:

"(15) **UNDERREPRESENTED POPULATIONS.**—The term 'underrepresented populations' includes populations such as minorities, the poor, and the limited English proficient.".

## TITLE I—GRANTS TO STATES

### SEC. 101. PROGRAM AUTHORIZED.

(a) **GRANTS TO STATES.**—Section 101(a) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(a)) is amended by striking "to develop and implement consumer-responsive" and inserting "in developing and implementing consumer-responsive, consumer-driven".

(b) **REQUIRED ACTIVITIES.**—Section 101(b) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(b)) is amended to read as follows:

"(b) **REQUIRED ACTIVITIES.**—Any State that receives a grant under this title shall accomplish the purposes described in section 2(b)(1) by carrying out the following activities:

"(1) **SYSTEMS CHANGE ACTIVITIES.**—Systems change activities shall include—

"(A) developing and implementing strategies to obtain funds with which individuals with disabilities may obtain assistive technology devices and services in State special education, vocational rehabilitation, and medical assistance programs or, as appropriate, other education, health, or human service agencies, with particular emphasis on addressing the needs of underrepresented populations and rural populations, coordinating such funds, and monitoring State and local policies, procedures, and practices that relate to such funds;

"(B) establishing an interagency coordinating committee to enhance public funding options and coordinate access to funding for assistive technology devices and services for individuals of all ages with disabilities, with special attention to the issues of transition from school to work, home use, and individual involvement in the identification, planning, use, delivery, and evaluation of such devices and services; and

"(C) developing written materials, training, and technical assistance to ensure that the needs of an individual for assistive technology devices and services are considered and included as part of an individualized education program required under section 614(a)(5) of the Individuals with Disabilities Education Act (20 U.S.C. 1414(a)(5)), an individualized family service plan developed pursuant to section 677(d) of such Act (20 U.S.C. 1477(d)), an individualized written rehabilitation program required under section 102(b) of the Rehabilitation Act of 1973 (29 U.S.C. 722(b)), and other individualized plans that may have been developed for the individual.

"(2) **CONSUMER-RESPONSIVE, CONSUMER-DRIVEN ACTIVITIES.**—(A) Consumer-responsive, consumer-driven activities shall include—

"(i) providing outreach to underrepresented populations and rural populations, including—

"(I) identification and needs assessment of such populations;

"(II) activities to increase the accessibility of services to such populations;

"(III) training representatives of such populations to become service providers; and

"(IV) training staff of the comprehensive statewide program of technology-related assistance to work with such populations; and

"(ii) establishing consumer advisory councils to advise such program, a majority of whose members are—

"(I) individuals with disabilities; and

"(II) the family members, guardians, or authorized representatives of individuals with disabilities.

"(B) Consumer-responsive, consumer-driven activities may include—

"(i) increasing consumer participation, choice, and control in the selection and procurement of assistive technology;

"(ii) outreach to consumer organizations and groups in the State to coordinate with efforts of such organizations and groups to implement self-help, peer mentoring, and support group programs to assist individuals with disabilities and their family members, guardians, advocates, and authorized representatives in obtaining funding for, and access to, assistive technology devices and services;

"(iii) developing mechanisms for determining consumer satisfaction and participation in the comprehensive statewide program of technology-related assistance for individuals of all ages with disabilities and documenting the results;

"(iv) taking actions to develop standards or, where appropriate, apply existing standards to ensure the availability of qualified personnel; and

"(v) paying for expenses, including travel expenses, and services, including services of qualified interpreters, readers, and personal care assistants, that may be necessary to ensure access to the comprehensive statewide program of technology-related assistance by individuals with disabilities who are determined by the State to be in financial need.

"(3) **ADVOCACY SERVICES.**—Advocacy services—

"(A) shall include training individuals with disabilities and their family members, guardians, advocates, and authorized representatives to successfully advocate for access to assistive technology devices and services, with special emphasis placed on underrepresented populations and rural populations; and

"(B) shall supplement, not supplant, similar advocacy services that have been provided pursuant to other Federal or State laws.

"(4) **PROTECTION AND ADVOCACY SERVICES.**—A State shall provide protection and advocacy services by awarding a contract to provide such services to an organization established for protection and advocacy services under the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.). Any State that provided protection and advocacy services prior to January 1, 1993, through an organization other than that established for protection and advocacy services under such Act may continue to provide such services through such organization. Protection and advocacy services shall supplement, not supplant, similar protection and advocacy services that have been provided pursuant to other Federal or State laws.".

(c) **AUTHORIZED ACTIVITIES.**—Section 101(c) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2211(c)) is amended—

(1) by amending the matter preceding paragraph (1) to read as follows:

"(c) **AUTHORIZED ACTIVITIES.**—Any State that receives a grant under this title may accomplish the purposes described in section 2(b)(1) by carrying out the following activities:";

(2) in paragraph (1), by striking subparagraph (C) and redesignating subparagraph (D) as subparagraph (C);

(3) in paragraph (2), in each of subparagraphs (B), (C), and (G)(i), by striking "assistive technology" each place such term appears after "devices and";

(4) by redesignating paragraphs (3) through (7) as paragraphs (5) through (9), respectively;

(5) by redesignating paragraph (8) as paragraph (12);

(6) by inserting after paragraph (2) the following:

"(3) **ELECTRONIC COMMUNICATION.**—The State may operate or participate in a computer system

through which it can electronically communicate with other States to gain technical assistance in a timely fashion to avoid the duplication of efforts already undertaken in other States.

"(4) **DEMONSTRATION OF DEVICES.**—The State may support the demonstration of assistive technology devices. Activities may include—

"(A) provision of a location or locations within the State where individuals with disabilities and their family members, guardians, advocates, and authorized representatives, special education, rehabilitation, health care, and other service providers, representatives of Federal, State, and local government entities, and employers can see, touch, and learn about assistive technology devices from personnel who are familiar with such devices and their applications;

"(B) counseling and assistance to individuals with disabilities and their family members, guardians, advocates, and authorized representatives to determine individual needs for assistive technology devices and services; and

"(C) demonstration or short-term loan of assistive technology devices to individuals, employers, public agencies, or public accommodations seeking strategies to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).";

(7) in paragraph (5) (as redesignated by paragraph (4)), by striking "assistive technology" after "devices or";

(8) in paragraph (6) (as redesignated by paragraph (4))—

(A) by amending the matter preceding subparagraph (A) to read as follows:

"(6) **PUBLIC AWARENESS PROGRAM.**—The State may support a public awareness program designed to provide information relating to the availability and efficacy of assistive technology devices and services for individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals, or may establish and support such a program if no such program exists. Such a program may include—"

(B) in subparagraph (A), in each of clauses (i), (ii), and (iii), by striking "assistive technology" after "devices and";

(C) in subparagraph (B), by striking "assistive technology" after "devices and"; and

(D) in subparagraph (C)(i), by striking "families or representatives of individuals with disabilities," and inserting "and their family members, guardians, advocates, or authorized representatives";

(9) in paragraph (7) (as redesignated by paragraph (4)), by striking "devices" and all that follows and inserting the following: "devices and services to individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals.";

(10) in paragraph (8) (as redesignated by paragraph (4))—

(A) in the matter preceding subparagraph (A)—

(i) in the first sentence, by striking "assistive technology" after "devices and";

(ii) by inserting after the first sentence the following: "Access to the system may be provided through community-based entities, including public libraries, centers for independent living

(as defined in section 702 of the Rehabilitation Act of 1973 (29 U.S.C. 796a)), and community rehabilitation programs (as defined in section 7(25) of such Act (29 U.S.C. 706(25))."; and

(iii) by striking "a system described in the preceding sentence," and inserting "the system,";

(B) in subparagraph (A)—

(i) by inserting "large print," after "print,"; and

(ii) by striking "materials" and all that follows and inserting the following: "materials, computer disks, compact discs (including compact discs formatted with read-only memory), information capable of being used in telephone-based information systems, and such other media as technological innovation may make appropriate"; and

(C) by adding at the end the following:

"The information system may be organized on an interstate basis or as part of a regional consortium of States in order to facilitate the establishment of compatible, linked information systems."; and

(11) by inserting after paragraph (9) (as redesignated by paragraph (4)) the following:

"(10) **PARTNERSHIPS AND COOPERATIVE INITIATIVES.**—The State may support the establishment or continuation of partnerships and cooperative initiatives between the public sector and the private sector to promote greater participation by business and industry in—

"(A) the development, demonstration, and dissemination of assistive technology devices; and

"(B) the ongoing provision of information about new products to assist individuals with disabilities.

"(11) **DEVICE AND EQUIPMENT REDISTRIBUTION INFORMATION SYSTEMS AND RECYCLING CENTERS.**—The State may support activities, including the establishment of information systems and recycling centers, for the redistribution of assistive technology devices and equipment that may include device and equipment loans, rentals, or gifts."

#### SEC. 102. DEVELOPMENT GRANTS.

(a) **NUMBER OF GRANTS TO BE AWARDED.**—Section 102 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(b) **AMOUNTS OF GRANTS.**—Section 102(b) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(c)) (as redesignated by subsection (a)) is amended—

(1) in paragraph (1), by striking "section 106," and inserting "section 108(a)(1).";

(2) in paragraph (2), by striking "section 106" and inserting "section 108(a)(1)"; and

(3) in paragraph (5)—

(A) in subparagraph (A), by striking "the Trust Territory of the Pacific Islands." and inserting "the Republic of Palau."; and

(B) in subparagraph (B), by striking "the Trust Territory of the Pacific Islands." and inserting "the Republic of Palau (until the Compact of Free Association with Palau takes effect).";

(c) **APPLICATIONS.**—Section 102(d) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2212(e)) (as redesignated by subsection (a)) is amended—

(1) by redesignating paragraph (17) as paragraph (25);

(2) by redesignating paragraphs (4) through (16) as paragraphs (5) through (17), respectively;

(3) by striking paragraphs (1), (2), and (3) and inserting the following:

"(1) **DESIGNATION OF LEAD AGENCY.**—The designation by the Governor of the office, agency, entity, or individual responsible for—

"(A) submitting the application on behalf of the State;

"(B) administering and supervising the use of amounts made available under the grant;

"(C) coordinating and supervising—

"(i) preparation of the application;

"(ii) planning, development, implementation, and evaluation of the consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance;

"(iii) coordination among public agencies and between public agencies and private entities, including the entering into of interagency and interstate agreements; and

"(iv) the active, timely, and meaningful participation by individuals with disabilities and their family members, guardians, advocates, and authorized representatives, or other appropriate individuals with respect to carrying out activities under the grant; and

"(D) delegating any responsibilities described in this paragraph, in whole or in part, to one or more appropriate offices, agencies, entities, or individuals.

"(2) **ABILITIES OF LEAD AGENCY.**—Evidence that the lead agency described in paragraph (1) has the ability—

"(A) to respond to assistive technology needs across disability and age;

"(B) to promote the availability throughout the State of assistive technology devices and services;

"(C) to promote and implement systems change activities;

"(D) to promote and implement public-private partnerships;

"(E) to exercise leadership in identifying and responding to the technology needs of individuals with disabilities and their family members, guardians, advocates, and authorized representatives;

"(F) to promote and document the consumer-responsive, consumer-driven nature of the comprehensive statewide program of technology-related assistance; and

"(G) to exercise leadership in implementing effective strategies for capacity building, staff and consumer training, and enhancement of access to funding for assistive technology devices and services across agencies.

"(3) **AGENCY INVOLVEMENT.**—A description of the nature and extent of involvement of various State agencies in the preparation of the application and the continuing role of each agency in the development and implementation of the consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, including the identification of the available resources and financial responsibility of each agency for paying for assistive technology devices and services.

"(4) **PUBLIC INVOLVEMENT.**—A description of the nature and extent of the involvement in the development of the application, and the continuing role in the consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance of—

"(A) individuals with disabilities;

"(B) the family members, guardians, advocates, and authorized representatives of such individuals;

"(C) other appropriate individuals who are not employed by a State agency; and

"(D) organizations, providers, employers, and other interested parties from the private sector.";

(4) in paragraph (5) (as redesignated by paragraph (2)), by striking "underserved groups" and inserting "underrepresented populations and rural populations";

(5) in paragraph (7) (as redesignated by paragraph (2)), by striking "consumer-responsive" and inserting "consumer-responsive, consumer-driven, comprehensive";

(6) by striking paragraph (8) (as redesignated by paragraph (2)) and inserting the following:

"(8) DATA COLLECTION.—A description of—

"(A) the data collection system used for compiling information as required by the Secretary and, when a national classification system is developed pursuant to section 201, consistent with such classification system; and

"(B) procedures that will be used to conduct evaluations.";

(7) in paragraph (9) (as redesignated by paragraph (2)), by striking "devices and assistive technology" and inserting "devices and";

(8) in paragraph (12) (as redesignated by paragraph (2))—

(A) in subparagraph (A), by striking "devices and assistive technology" and inserting "devices and"; and

(B) in subparagraph (B), by striking "devices or assistive technology" each place it appears and inserting "devices or";

(9) by amending paragraph (16) (as redesignated by paragraph (2)) to read as follows:

"(16) FISCAL CONTROL AND ACCOUNTING PROCEDURES.—An assurance that—

"(A) the State will adopt such fiscal control and accounting procedures as may be necessary to ensure proper disbursement of and accounting for amounts received under the grant; and

"(B) the lead agency will have the authority to use funds under this title to comply with the State grant requirements, including the ability to hire qualified staff necessary to carry out project activities."; and

(10) by inserting after paragraph (17) (as redesignated by paragraph (2)) the following:

"(18) PROTECTION AND ADVOCACY SERVICES.—An assurance that the State will allocate a specific amount of funds, from Federal or State sources, for protection and advocacy services provided pursuant to section 101(b)(4). In reviewing an application by the State, the Secretary shall review such specific amount to determine if it is reasonable in relation to the size of the grant and the needs of individuals with disabilities within the State. In making such determination, the Secretary shall consider the population of the State and the geographic size of the State.

"(19) TRAINING ACTIVITIES.—An assurance that the State—

"(A) will develop and implement strategies for including personnel training in assistive technology within existing Federal- and State-funded training initiatives to enhance assistive technology skills and competencies; and

"(B) will document such training activities.

"(20) LIMIT ON INDIRECT COSTS.—An assurance that the percentage of funds used for indirect costs shall not exceed 15 percent.

"(21) COORDINATION WITH STATE COUNCILS.—

An assurance that there will be coordination between the project funded under this Act and other councils within the State, including the State Rehabilitation Advisory Council (or Councils) established under section 105 of the Rehabilitation Act of 1973 (29 U.S.C. 725), the Statewide Independent Living Council established under section 705 of such Act (29 U.S.C. 796d), the advisory panel established under section 613(a)(12) of the Individuals with Disabilities Education Act (20 U.S.C. 1413(a)(12)), the State Interagency Coordinating Council established under section 682 of such Act (20 U.S.C. 1482), the State Planning Council described in section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024), and the State mental health planning council established under section 1916(e) of the Public Health Service Act (42 U.S.C. 3002e-4(e)).

"(22) COORDINATION WITH OTHER SYSTEMS CHANGE PROJECTS.—An assurance that there will be coordination between the project funded under this Act and other related systems change projects funded by either Federal or State funds.

"(23) AVAILABILITY OF INFORMATION.—An assurance that the State will—

"(A) make available to individuals with disabilities and their family members, guardians, advocates, and authorized representatives information concerning technology-related assistance in a form that will allow such individuals with disabilities to effectively use such information; and

"(B) in preparing such information for dissemination, consider the media-related needs of individuals with disabilities who have sensory and cognitive limitations and consider the use of auditory materials, including audio cassettes, visual materials, including video cassettes and video discs, and braille materials.

"(24) TIMELINESS OF SERVICE PROVISION.—An assurance that the State—

"(A) will review all State laws, regulations, policies, procedures, and practices that have an impact on—

"(i) the decisions related to the need for and the provision of assistive technology devices and services;

"(ii) the specific entity within the State that will provide such service or device;

"(iii) the procurement policies, procedures, and practices that affect the acquisition or usage of such service or device; or

"(iv) the timelines involved in such procurement;

"(B) will review the information required under subparagraph (A) to determine areas that inhibit or delay the acquisition or delivery of a needed assistive technology service or device, particularly as such service or device relates to minors; and

"(C) will determine ways in which the timelines for acquisition and delivery may be decreased."

#### SEC. 103. EXTENSION GRANTS.

(a) GENERAL AUTHORITY.—Section 103(a) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2213(a)) is amended to read as follows:

"(a) GENERAL AUTHORITY.—The Secretary may award a 2-year extension grant to any State that—

"(1) has been awarded one development grant under section 102;

"(2) has successfully satisfied the requirements in such section; and

"(3) has demonstrated to the Secretary that the State made significant progress in developing and implementing a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, consistent with sections 2(b)(1), 101, and 102(d)."

(b) ASSESSMENT OF PROGRESS.—Section 103 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2213) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

"(b) ASSESSMENT OF PROGRESS.—The Secretary shall develop guidelines to be used in assessing the extent to which the State is making significant progress in developing and implementing a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance consistent with section 2(b)(1)."

(c) AMOUNTS OF GRANTS.—Section 103(c) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2213(c)) (as redesignated by subsection (b)) is amended—

(1) in paragraph (1)(A), by striking "section 106" and inserting "section 108(a)(1)";

(2) in paragraph (1)(B), by striking "section 106" and inserting "section 108(a)(1)";

(3) in paragraph (1)(C)—

(A) in clause (i), by striking "the Trust Territory of the Pacific Islands." and inserting "the Republic of Palau."; and

(B) in clause (ii), by striking "the Trust Territory of the Pacific Islands." and inserting "the Republic of Palau (until the Compact of Free Association with Palau takes effect)."; and

(4) in paragraph (2), by adding at the end the following:

"In providing any increases in State grants above the amounts provided to States in fiscal year 1993, the Secretary shall give priority to the 10 States that have the largest populations, as determined by the 1990 decennial census of the population, and States that are sparsely populated, with a wide geographic spread, where such characteristics have impeded the development of a statewide program."

(d) APPLICATION.—Section 103(d) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2213(d)) (as redesignated by subsection (b)) is amended—

(1) by striking paragraphs (1), (2), and (3) and inserting the following:

"(1) INFORMATION AND ASSURANCES.—The information and assurances described in section 102(d), except the preliminary needs assessment described in section 102(d)(5).

"(2) NEEDS.—A description of—

"(A) needs relating to technology-related assistance for individuals with disabilities (including individuals from underrepresented populations and rural populations), their family members, guardians, advocates, and authorized representatives, and other appropriate individuals within the State;

"(B) gaps that remain in the development and implementation of a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance;

"(C) strategies that the State will pursue during the grant period to remedy such gaps; and

"(D) outreach activities, with special attention to underrepresented populations and rural populations.

"(3) ACTIVITIES AND PROGRESS UNDER PREVIOUS GRANT.—A description of the specific activities carried out under the development grant received under section 102, the relationship of such activities to the development and implementation of a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, and the progress made toward the development and implementation of such a program. Such description shall include, at a minimum—

"(A) a description of State actions that were undertaken to produce systems change on a permanent basis for individuals of all ages with disabilities;

"(B) a description of training and technical assistance efforts to improve individual access to assistive technology devices and services; and

"(C) an evaluation of the impact and results of the activities described in subparagraphs (A) and (B)."

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking "families or representatives of individuals with disabilities," and inserting "their family members, guardians, advocates, and authorized representatives,"; and

(B) in subparagraph (C), by striking "consumer-responsive" and inserting "consumer-responsive, consumer-driven, comprehensive";

(3) by striking paragraph (6) and redesignating paragraph (7) as paragraph (6);

(4) in paragraph (6) (as redesignated by paragraph (3)), by inserting "or any recipient of its funds," after "State"; and

(5) by adding at the end the following:

"(7) CONTINUATION OF PROGRAM.—A description of the steps the State has taken or will take to continue on a permanent basis a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, including an identification of potential

funding sources and funding commitments for the program from the public and private sectors and from the agencies and entities who will be involved with and direct future efforts."

#### SEC. 104. SECOND EXTENSION GRANTS.

The Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.) is amended—

(1) by redesignating sections 104 and 105 as sections 105 and 106, respectively;

(2) by redesignating section 106 as section 108; and

(3) by inserting after section 103 the following:

#### "SEC. 104. SECOND EXTENSION GRANTS.

"(a) GENERAL AUTHORITY.—The Secretary may award a 5-year second extension grant to any State that—

"(1) has been awarded one extension grant under section 103;

"(2) has successfully satisfied the requirements in such section; and

"(3) has demonstrated to the Secretary that the State made significant progress in developing and implementing a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, consistent with sections 2(b)(1), 101, and 102(d).

"(b) AMOUNTS OF GRANTS.—The amounts and the priority of the extension grants under this section shall be the same as the amounts and priority of extension grants under section 103(c), except that—

"(1) the amount paid to a State for the fourth year of the grant period shall be 75 percent of the amount paid to the State for the third year of the grant period;

"(2) the amount paid to a State for the fifth year of the grant period shall be 50 percent of the amount paid to the State for the third year of the grant period; and

"(3) after the fifth year of the grant period, no Federal funds shall be made available to the State under this Act.

In providing any increases in State grants above the amounts provided to States in fiscal year 1993, the Secretary shall give priority to the 10 States that have the largest populations, as determined by the 1990 decennial census of the population, and States that are sparsely populated, with a wide geographic spread, where such characteristics have impeded the development of a statewide program.

"(c) APPLICATION.—A State that desires to receive an extension grant under this section shall submit an application that contains the information and assurances required under section 103(d), except that the descriptions of the activities carried out and the progress made under a development grant that are referred to in such section shall relate, in an application under this section, to an extension grant under section 103."

#### SEC. 105. PROGRESS REPORTS.

Section 105 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2214) (as redesignated by section 104) is amended—

(1) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—Each State that receives a grant under this title shall submit to the Secretary annually a report that documents significant progress in developing and implementing a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance, consistent with sections 2(b)(1), 101, and 102(d). The report shall document the following:

"(1) Successful systems change activities to increase funding for, and access to, assistive technology devices and services, including—

"(A) an analysis of laws, regulations, policies, procedures, and practices that have changed,

the program has attempted to change, or that need to be changed to facilitate the acquisition of assistive technology;

"(B) a report on protection and advocacy services provided; and

"(C) other relevant processes or activities.

"(2) The degree of consumer satisfaction and participation, and particularly the satisfaction and participation of underrepresented populations and rural populations, with the statewide program, based upon mechanisms that have been developed pursuant to section 101(b)(2)(B)(iii).

"(3) The degree of involvement of various State agencies in the preparation of the application and the continuing role of each agency in the development and implementation of the statewide program, including the identification of the available resources and financial responsibility of each agency for paying for assistive technology devices and services.

"(4) Efforts to train personnel as well as consumers.

"(5) Information collection and dissemination activities relating to systems change activities identified in paragraph (1).

"(6) Written notices by State and local agencies of policies, procedures, and practices that have been developed or amended in order to inform individuals with disabilities and their family members, guardians, advocates, and authorized representatives of Federal requirements pertaining to assistive technology devices and services, particularly under parts B and H of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) and title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

"(7) Efforts to disseminate information on all major program initiatives to other States by means of electronic communication.

"(8) Efforts to comply with the assurance provided pursuant to section 102(d)(24).

"(9) Efforts to reduce the service delivery time for receiving assistive technology devices and services.

"(10) Efforts to disseminate information about interagency activities that promote coordination of assistive technology services, including evidence of increased participation of State and local special education, vocational rehabilitation, and medical assistance agencies and departments."

(2) in subsection (b), by striking "section 103" and inserting "sections 103 and 104"; and

(3) by adding at the end the following:

"(c) REPORTS ON PROTECTION AND ADVOCACY SERVICES.—An organization that is awarded a contract to provide protection and advocacy services pursuant to section 101(b)(4) shall make significant progress in providing such services. One year after the date of the enactment of the Technology-Related Assistance for Individuals With Disabilities Amendments of 1993, and each year thereafter, the organization shall document such progress for the Secretary in each of the following areas:

"(1) Conducting activities that are consumer-responsive and consumer-driven, including activities that will lead to increased access to funding for assistive technology devices and services.

"(2) Executing legal, administrative, and other appropriate means of representation to implement systems change.

"(3) Developing and implementing strategies designed to enhance the long-term abilities of individuals with disabilities and their family members, guardians, advocates, and authorized representatives to successfully advocate for assistive technology to which the individuals with disabilities are entitled under law.

"(4) Coordination with protection and advocacy services funded through sources other than this Act.

"(d) PUBLIC COMMENT.—

"(1) HEARING.—An organization that is awarded a contract to provide protection and advocacy services pursuant to section 101(b)(4) shall, during the period described in paragraph (2), conduct a hearing for public comment from interested persons to ascertain the extent to which the State that awarded the contract to the organization is making significant progress, under the grant that is effective at the time of the hearing, in developing and implementing a consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance.

"(2) DATE OF HEARING.—The hearing required under paragraph (1) shall be conducted within the 6-month period ending on the date of the termination of a grant received under section 103, or within the 6-month period ending on the date that is 24 months after the date on which a grant under section 104 commenced, whichever is applicable to the State that awarded the contract to the organization.

"(3) REPORT.—An organization referred to in paragraph (1) shall submit to the Secretary a report summarizing the public comments received at a hearing conducted under the paragraph within the 6-month period beginning on the date the hearing is concluded."

#### SEC. 106. ADMINISTRATIVE PROVISIONS.

Section 106 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2215) (as redesignated by section 104) is amended—

(1) in clause (ii) of subsection (a)(2)(B), by striking "GS-18 of the General Schedule under section 5332 of title 5," and inserting "level IV of the Executive Schedule under section 5315 of title 5,";

(2) by redesignating subsection (c) as subsection (g);

(3) by inserting after subsection (b) the following:

"(c) REDESIGNATION OF LEAD AGENCY.—

"(1) MONITORING PANEL.—Once a State becomes subject to a corrective action plan pursuant to subsection (b), the Governor of the State, subject to approval by the Secretary, shall appoint within 30 days a monitoring panel consisting of the following representatives:

"(A) The head of the lead agency designated by the Governor.

"(B) 2 representatives from different public or private nonprofit organizations that represent the interests of individuals with disabilities.

"(C) 2 consumers who are users of assistive technology devices and services and who are not—

"(i) members of the advisory council of the program; or

"(ii) employees of the State lead agency.

"(D) 2 service providers with knowledge and expertise in assistive technology devices and services.

The monitoring panel shall be ethnically diverse and shall choose its own chairperson. The panel shall receive periodic reports from the State regarding progress in implementing the corrective action plan and shall have the authority to request additional information necessary to determine compliance. The meetings of the panel to determine compliance shall be open to the public (subject to confidentiality concerns) and held at locations that are accessible to individuals with disabilities. The panel shall remain active for the entire period of the corrective action plan, as determined by the Secretary. The panel shall be funded by a portion of the funds received by the State under this title, as directed by the Secretary.

"(2) FAILURE TO APPOINT MONITORING PANEL.—A failure by a Governor of a State to comply with the requirements of paragraph (1) shall result in the complete loss of funding

under this title, until redesignation pursuant to the process established in paragraph (4).

"(3) DETERMINATION.—Based on its findings, a monitoring panel may determine that a lead agency designated by a Governor has not met the purposes established in section 2(b)(1) and that there is good cause for redesignation and the temporary loss of funds under this title. In this paragraph, the term 'good cause' includes—

"(A) lack of progress with employment of qualified staff;

"(B) lack of consumer-responsive, consumer-driven activities;

"(C) lack of resource allocation to systems change activities;

"(D) lack of progress with meeting the assurances in section 102(d); or

"(E) inadequate fiscal management.

If a monitoring panel makes such a determination, it shall recommend to the Secretary that further remedial action be taken or that the Secretary order the Governor to hold an open competition pursuant to paragraph (4). The Secretary, based on the findings and recommendations of the monitoring panel, shall make a final determination with respect to the lead agency designation under this title.

"(4) NEW STATE COMPETITION.—In the event that a State loses funding under this title pursuant to paragraph (2) or (3), the Governor of the State shall hold an open competition within the State and issue a request for proposals within 30 days for agency redesignation. Such competition shall be open to State agencies, public and private nonprofit organizations, consortia of such organizations, or institutions of higher education. The competition shall ensure public involvement, including a public hearing and adequate opportunity for public comment. The Secretary shall have final approval of the agency or organization designated after such competition.

"(d) REDESIGNATION OF PROTECTION AND ADVOCACY SERVICES.—If the Secretary determines that significant progress has not been achieved by an organization that is awarded a contract to provide protection and advocacy services for a State pursuant to section 101(b)(4), the Secretary shall consult with the Governor of such State in a timely manner. After such consultation, if it is determined that remedial action is not appropriate, the Governor shall hold an open competition within the State and issue a request for proposals within 30 days for agency redesignation. Such competition shall be open to entities with the same expertise and ability to provide legal services as an organization referred to in section 101(b)(4). The competition shall ensure public involvement, including a public hearing and adequate opportunity for public comment.

"(e) ANNUAL REPORT.—

"(1) IN GENERAL.—The Secretary shall publish, by December 31 of each year, an annual report to the President and to the Congress on the activities funded under this Act and other Federal initiatives to improve the access of individuals with disabilities to assistive technology devices and services. The report shall address the following:

"(A) Demonstrated successes at the Federal and State levels in improving interagency coordination, streamlining access to funding, and producing beneficial outcomes for users of assistive technology.

"(B) Demonstrated successes in promoting funding access in existing public programs and establishing new funding options.

"(C) Activities targeted to reach underrepresented populations and rural populations.

"(D) Consumer involvement activities in the State programs.

"(E) Education and training activities to promote awareness of available funding in public programs.

"(F) Efforts made to educate and train individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals about technology-related assistance.

"(G) Research activities undertaken to improve the understanding of the cost-benefit ratio resulting from the use of assistive technology for individuals of all ages and with varying disabilities.

"(2) REPORT ON AVAILABILITY.—As soon as practicable, but not later than January 1, 1996, the Secretary shall include in the annual report required by this section a report on the availability of assistive technology devices and services for individuals with disabilities based on the national classification system developed under section 201.

"(f) INTERAGENCY DISABILITY COORDINATING COUNCIL.—On or before October 1, 1995, the Interagency Disability Coordinating Council established under section 507 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) shall prepare and submit to the President and to the Congress a report of—

"(1) the response of the Interagency Disability Coordinating Council to the findings and recommendations of the National Council on Disability (established under section 400 of the Rehabilitation Act of 1973 (29 U.S.C. 780)) that were included in the Study on the Financing of Assistive Technology Devices and Services for Individuals with Disabilities of the National Council on Disability; and

"(2) activities of the Interagency Disability Coordinating Council that facilitate the accomplishment of section 2(b)(2) with respect to the Federal Government.

The report shall include any comments submitted by the National Council on Disability to the Interagency Disability Coordinating Council that pertain to paragraph (1) or (2); and

(4) by amending subsection (g) (as redesignated by paragraph (2)) to read as follows:

"(g) EFFECT ON OTHER ASSISTANCE.—This title may not be construed as authorizing a State or a Federal agency to reduce medical or other assistance available or to alter eligibility under any Federal statute."

#### SEC. 107. INFORMATION AND TECHNICAL ASSISTANCE.

The Technology Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.) is amended by inserting after section 106 (as redesignated by section 104) the following:

#### "SEC. 107. INFORMATION AND TECHNICAL ASSISTANCE.

"(a) IN GENERAL.—The Secretary shall provide to States and individuals with disabilities and their family members, guardians, advocates, and authorized representatives information and technical assistance.

"(b) INFORMATION AND TECHNICAL ASSISTANCE TO STATES.—Information and technical assistance provided to the States under subsection (a) shall include—

"(1) providing a clearinghouse for activities that have been developed and implemented by projects funded pursuant to this Act;

"(2) facilitating service delivery capacity building, training of personnel across disciplines, evaluation strategies, and research and data collection;

"(3) providing information and technical assistance on effective approaches to information referral, interagency coordination on training and service delivery, outreach to underrepresented populations and rural populations, and public awareness activities;

"(4) assisting in planning, developing, implementing and evaluating appropriate activities to further extend consumer-responsive, consumer-driven, comprehensive statewide programs of technology-related assistance for individuals with disabilities;

"(5) providing technical assistance and training to the projects funded pursuant to this title for activities conducted pursuant to section 101(c)(3); and

"(6) providing any other appropriate information and technical assistance to assist the States in accomplishing the purposes of this Act.

"(c) INFORMATION AND TECHNICAL ASSISTANCE TO INDIVIDUALS.—Information and technical assistance provided to individuals with disabilities and their family members, guardians, advocates, and authorized representatives under subsection (a) shall include—

"(1) disseminating information and providing technical assistance on Federal, State and local laws, regulations, policies, procedures, and practices that facilitate funding for and access to assistive technology devices and services, to promote independence, productivity, and inclusion in the economic, political, social, cultural, and educational mainstream of American society for individuals of all ages with disabilities;

"(2) identifying, collecting, and disseminating information, and providing technical assistance on effective systems change activities, advocacy services, and protection and advocacy services;

"(3) collecting, analyzing, and disseminating on a national basis assistive technology funding decisions made as a result of policies, procedures, and practices, or through regulations, administrative hearings, or legal action that enhance access to funding of assistive technology devices and services for individuals with disabilities;

"(4) promoting State-Federal coordination through information dissemination and technical assistance activities in response to funding policy improvements identified by the States that enhance funding for, or access to, assistive technology devices and services for individuals of all ages with disabilities; and

"(5) providing any other appropriate information and technical assistance to assist individuals with disabilities and their family members, guardians, advocates, and authorized representatives in accomplishing the purposes of this Act.

"(d) GRANTS, CONTRACTS, AND AGREEMENTS.—

"(1) PUBLIC OR PRIVATE AGENCIES.—The Secretary shall provide the information and technical assistance described in this section through grants, contracts, or cooperative agreements with public or private agencies and organizations, including institutions of higher education, with documented experience, expertise, and capacity to accomplish identified activities.

"(2) NUMBER.—The Secretary shall provide the information and technical assistance described in this section through one or two grants, contracts, or cooperative agreements. An agency or organization that is a party to such a grant, contract, or agreement may contract with other public or private agencies or organizations for the purposes of providing the information and technical assistance described in this section."

#### SEC. 108. FUNDING.

Section 108 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2216) (as redesignated by section 104) is amended to read as follows:

#### "SEC. 108. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this title \$50,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 2002.

"(2) RESERVATION.—The Secretary shall reserve 2 percent of funds appropriated in any fiscal year under paragraph (1), or \$1,500,000,

whichever is greater, for the purpose of providing to States and individuals with disabilities and their family members, guardians, advocates, and authorized representatives information and technical assistance under section 107.

"(b) ADMINISTRATION.—From funds appropriated for salaries and expenses with respect to the Department of Education for each fiscal year beginning after October 1, 1993, the Secretary—

"(1) shall expend such amounts as may be necessary to ensure that 4 full-time employees are added to the number of employees serving on September 30, 1993, in the Office of Special Education and Rehabilitative Services of the Department of Education; and

"(2) shall assign such additional employees to the National Institute on Disability and Rehabilitation Research to be engaged in the full-time administration of this Act."

## TITLE II—PROGRAMS OF NATIONAL SIGNIFICANCE

### SEC. 201. PROGRAMS AUTHORIZED.

The Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.) is amended by striking title II and inserting the following:

## "TITLE II—PROGRAMS OF NATIONAL SIGNIFICANCE

### "PART A—NATIONAL CLASSIFICATION SYSTEM

#### "SEC. 201. NATIONAL CLASSIFICATION SYSTEM.

"(a) IN GENERAL.—The Secretary—

"(1) shall collect the uniform data described in subsection (c) across the publicly funded programs described in subsection (d) through the use of a single taxonomy and a uniform data collection instrument; and

"(2) shall develop, in consultation with the Internal Revenue Service, procedures for determining whether devices and services are assistive technology devices or services within the meaning of paragraph (2) or (3) of section 3.

"(b) SINGLE TAXONOMY.—

"(1) IN GENERAL.—The Secretary, in consultation with the technical assistance contractors described in section 107(d), the States receiving funds under title I, organizations that have worked in the information and referral field in the past, and assistive technology reimbursement specialists, shall adopt a single taxonomy for assistive technology devices and services.

"(2) DEADLINES.—(A) The Secretary may carry out this subsection through a contract or grant if the contract or grant is made within the 6-month period beginning on the date of the enactment of the Technology-Related Assistance for Individuals With Disabilities Amendments of 1993. If the Secretary carries out this subsection through contract or grant, the contract or grant shall be for a period of not more than 2 years.

"(B) If the Secretary does not carry out this subsection through contract or grant, the Secretary shall adopt the taxonomy described in paragraph (1) within the 2-year period beginning on the date of the enactment of the Technology-Related Assistance for Individuals With Disabilities Amendments of 1993.

"(c) UNIFORM DATA.—The uniform data referred to in subsection (a) shall include the following:

"(1) Expenditures for the different types of assistive technology devices and services.

"(2) Type of disability of the individual.

"(3) Type of functional needs of the individual with a disability.

"(4) Type of device.

"(5) Type of service.

"(6) Type of provider.

"(7) Age of the individual.

"(8) Gender of the individual.

"(9) Ethnicity of the individual.

"(10) Geographic residence of the individual.

"(11) Funding source.

"(d) PUBLICLY FUNDED PROGRAMS.—The publicly funded programs referred to in subsection (a) shall include—

"(1) titles I, VI, and VII of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

"(2) parts H and B of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(3) titles V and XIX of the Social Security Act (42 U.S.C. 301 et seq.);

"(4) programs funded under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); and

"(5) programs funded under the Developmental Disabilities and Bill of Rights Act (42 U.S.C. 6000 et seq.).

## "PART B—TRAINING AND DEMONSTRATION PROJECTS

### "SEC. 211. TRAINING GRANTS.

"(a) TECHNOLOGY TRAINING.—

"(1) GENERAL AUTHORITY.—The Secretary shall enter into contracts or cooperative agreements with appropriate public or private agencies and organizations, including institutions of higher education, for the purposes of—

"(A) conducting training sessions; and

"(B) developing, demonstrating, disseminating, and evaluating curricula, materials, and methods used to train individuals regarding the provision of technology-related assistance.

"(2) ELIGIBLE ACTIVITIES.—Activities conducted under contracts or cooperative agreements entered into under paragraph (1) may address the training needs of individuals with disabilities and their family members, guardians, advocates, and authorized representatives, representatives of public agencies and private entities that have contact with individuals with disabilities (including insurers), teachers and related services personnel, technology experts (including engineers), employers, and other appropriate individuals.

"(b) TECHNOLOGY CAREERS.—

"(1) IN GENERAL.—The Secretary shall make grants to assist institutions of higher education to prepare students and faculty working in specific fields for careers relating to the provision of assistive technology devices and services. The specific fields include—

"(A) engineering;

"(B) industrial technology;

"(C) computer science;

"(D) communication disorders;

"(E) special education;

"(F) rehabilitation; and

"(G) social work.

"(2) PRIORITY.—In awarding grants under paragraph (1), the Secretary shall give priority to the preparation of personnel who will provide technical assistance, administer programs, or prepare personnel necessary to support the development and implementation of consumer-responsive, consumer-driven, comprehensive statewide programs of technology-related assistance for individuals with disabilities.

"(3) USES OF FUNDS.—Amounts made available for grants under paragraph (1) may be used by institutions of higher education to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships or traineeships with such stipends and allowances as may be determined by the Secretary.

"(c) GRANTS TO HISTORICALLY BLACK COLLEGES.—In exercising the authority granted in subsections (a) and (b), the Secretary shall reserve an adequate amount for grants to historically black colleges and universities and other institutions of higher education whose minority student enrollment is at least 50 percent.

### "SEC. 212. TECHNOLOGY TRANSFER.

The Secretary shall provide funds to an organization whose primary function is to promote technology transfer from, and cooperation

among, Federal laboratories (as defined in section 4(6) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.)). Such funds shall be used to promote technology transfer that will spur the development of assistive technology devices.

### "SEC. 213. DEVICE AND EQUIPMENT REDISTRIBUTION INFORMATION SYSTEMS AND RECYCLING CENTERS.

"(a) IN GENERAL.—The Secretary shall make grants to, or enter into contracts or cooperative agreements with, public agencies, private entities, or institutions of higher education for the purpose of developing and establishing recycling projects.

"(b) ELIGIBLE ACTIVITIES.—Eligible recycling activities may include—

"(1) a system for accepting, on an unconditional gift basis, assistive technology devices, including a process for valuing the devices and evaluating their use and potential;

"(2) a system for storing and caring for such devices;

"(3) an information system (including computer databases) by which local educational agencies, rehabilitation entities, local community-based organizations, independent living centers and other entities, would be informed, on a periodic and timely basis, about the availability and nature of the devices currently held; and

"(4) a system for making such devices available to consumers and those entities listed in paragraph (3), provided that such system include provision for tracking each device throughout its useful life.

"(c) MULTIPLE PROVIDERS.—With respect to activities funded under this section, an agency, entity, or institution may utilize a single authority or may establish a system of service providers. If an agency, entity, or institution uses multiple providers, the agency, entity, or institution shall assure that—

"(1) all consumers within a State receive equal access to services, regardless of the geographic location or socioeconomic status of the consumers; and

"(2) all activities of the providers are coordinated and monitored by the agency, entity, or institution.

"(d) OTHER LAWS.—Nothing in this section shall affect the provision of services or devices pursuant to title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) or part B of the Individuals With Disabilities Education Act (20 U.S.C. 1411 et seq.).

"(e) EXISTING PROGRAMS.—Public agencies, private entities, or institutions of higher education that have already established recycling programs may extend and strengthen such programs through grants, contracts, or agreements under this section.

### "SEC. 214. BUSINESS OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.

"The Secretary may make grants to individuals with disabilities to enable them to establish or operate commercial or other enterprises which develop or market assistive technology devices or services.

### "SEC. 215. PRODUCTS OF UNIVERSAL DESIGN.

"The Secretary may make grants to commercial or other enterprises and institutions of higher education for the research and development of products of universal design. Preference shall be given to those enterprises which are owned or operated by individuals with disabilities.

### "SEC. 216. GOVERNING STANDARDS FOR PART B PROJECTS.

"Projects operated pursuant to this part shall—

"(1) be held to the same consumer-responsive, consumer-driven standards as the program under title I;

"(2) make available to individuals with disabilities and their family members, guardians, advocates, and authorized representatives information concerning technology-related assistance in a form that will allow such individuals with disabilities to effectively use such information;

"(3) in preparing such information for dissemination, consider the media-related needs of individuals with disabilities who have sensory and cognitive limitations and consider the use of auditory materials, including audio cassettes, visual materials, including video cassettes and video discs, and braille materials; and

"(4) coordinate their efforts with the consumer-responsive, consumer-driven, comprehensive statewide program of technology-related assistance for individuals with disabilities in the State or States in which the projects operate.

#### **"PART C—AUTHORIZATION OF APPROPRIATIONS**

##### **"SEC. 221. AUTHORIZATION OF APPROPRIATIONS.**

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title \$10,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

"(b) RESERVATION.—Of the amounts appropriated under subsection (a), the Secretary shall reserve \$200,000 in each of the fiscal years 1994 and 1995 for the purpose of adopting the taxonomy under section 201."

#### **TITLE III—ALTERNATIVE FINANCING MECHANISMS**

##### **SEC. 301. ALTERNATIVE FINANCING MECHANISMS AUTHORIZED.**

The Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.) is amended by adding at the end the following:

#### **"TITLE III—ALTERNATIVE FINANCING MECHANISMS**

##### **"SEC. 301. GENERAL AUTHORITY TO PROVIDE ALTERNATIVE FINANCING MECHANISMS.**

"(a) IN GENERAL.—The Secretary shall award grants to States to provide a Federal share for the establishment of, or the expansion of, alternative financing mechanisms to allow individuals with disabilities and their family members, guardians, and authorized representatives to purchase assistive technology devices and services. Grants under this section may be used to provide up to one half of the costs of providing and administering such alternative financing mechanisms. The mechanisms may include—

"(1) a low-interest loan fund;

"(2) a revolving fund;

"(3) a loan insurance program;

"(4) a partnership with private entities for the purchase, lease, or other acquisition of assistive technology devices or the provision of assistive technology services; and

"(5) other alternative financing mechanisms that meet the requirements of this Act and are approved by the Secretary.

"(b) CONSTRUCTION OF TITLE I.—Nothing in this section shall be construed as affecting the authority of a State to establish alternative financing mechanisms under title I.

##### **"SEC. 302. APPLICATIONS AND PROCEDURES.**

"States that receive or have received grants under section 102, 103, or 104 shall be eligible to compete for grants under this title. The Secretary shall make grants under this title under such conditions as the Secretary shall, by regulation, determine, except that—

"(1) a State may receive only one grant under this title;

"(2) a State that desires to receive a grant under this title shall submit an application that contains—

"(A) an assurance that the State will provide an amount not less than the amount paid to the

State by the Secretary under this title, as set forth under section 304, for the purpose of supporting the alternative financing mechanisms that are covered by the grant;

"(B) an assurance that an alternative financing mechanism shall continue on a permanent basis; and

"(C) a description of the degree to which the alternative financing mechanisms to be funded under this title will expand and emphasize consumer choice and control;

"(3) a State that receives a grant under this title—

"(A) shall contract with a community-based organization (or a consortia of such organizations) that has individuals with disabilities involved at all organizational levels for the administration of the alternative financing mechanisms that are supported by this title; and

"(B) shall require that such community-based organization contract, for the purpose of expanding opportunities under this title and facilitating the administration of the alternative financing mechanisms, with—

"(i) commercial lending institutions or organizations; or

"(ii) State financing agencies; and

"(4) a contract between a State that receives a grant under this title and a community-based organization described in paragraph (3)—

"(A) shall include the administration of both the Federal and non-Federal matching share in a manner consistent with the provisions of this title; and

"(B) shall include any provision required by the Secretary dealing with oversight and evaluation as may be necessary to protect the financial interests of the United States.

##### **"SEC. 303. GRANT ADMINISTRATION REQUIREMENTS.**

"A State that receives a grant under this title, together with any community-based organization that contracts to administer an alternative financing mechanism that is supported by this title, shall develop and submit to the Secretary, pursuant to a timeline that the Secretary may establish or, if the Secretary does not establish a timeline, within the 12-month period beginning on the date that the State receives the grant, the following policies or procedures for administration of the mechanism:

"(1) A procedure to review and process in a timely fashion requests for financial assistance for both immediate and potential technology needs, including consideration of methods to reduce paperwork and duplication of effort, particularly relating to need, eligibility and determination of the specific device or service to be provided.

"(2) A policy and procedure to assure that access to the alternative funding mechanism shall be given to consumers regardless of type of disability, age, location of residence in the State, or type of assistive technology device or service requested and shall be made available to applicants of all income levels.

"(3) A procedure to assure consumer-controlled oversight.

##### **"SEC. 304. FINANCIAL REQUIREMENTS.**

"A State that desires to receive a grant under this title shall submit an application that contains assurances that funds supporting an alternative financing mechanism under this title shall meet the following requirements:

"(1) Funds provided by the State to match the Federal share for the mechanism—

"(A) shall be from either State, local, or private sources;

"(B) shall be of an amount at least equal to the Federal funds provided under a grant under this title; and

"(C) shall not be taken from, or obtained by the reduction of any services in, any program providing similar services to individuals with

disabilities which is in operation on the date of the submission of the application.

"(2) Funds that support an alternative financing mechanism under this title—

"(A) shall be used to supplement and not supplant existing public funding options; and

"(B) may only be distributed as a payer of last resort for assistance that is not available in a reasonable or timely fashion from any other Federal, State, or local source.

"(3) All funds that support an alternative financing mechanism funded under this title, including funds repaid during the life of the mechanism, shall be placed in a permanent separate account and identified and accounted for separately from any other fund. Funds within this account may be invested in low-risk securities in which a regulated insurance company may invest under the law of the State for which the grant is provided and shall be administered with the same judgment and care that a person of prudence, discretion, and intelligence would exercise in the management of the financial affairs of such person.

"(4) The principal and interest from an account described in paragraph (3) shall be available to support an alternative financing mechanism supported under this title. Any interest or investment income that accrues on any funds covered under this paragraph after such funds have been placed under the control of the entity administering the mechanism, but before such funds are distributed for purposes of supporting the mechanism, shall be the property of the entity administering the mechanism and shall not be taken into account by any officer or employee of the Federal Government for any purpose.

##### **"SEC. 305. AMOUNT OF GRANTS.**

"(a) IN GENERAL.—A grant under this title shall be for an amount that is not more than \$500,000 increased by any amount made available under subsection (b).

"(b) EXCESS FUNDS.—If funds appropriated under section 308 for a fiscal year are in excess of the amount necessary to fund acceptable applications for such year, the Secretary shall make such excess amount available to States receiving grants under this title in such year on a competitive basis. A State that desires to receive additional funds under this subsection shall amend and resubmit to the Secretary the application submitted under section 302. Such amended application shall contain an assurance that the State will provide an additional amount for the purpose of supporting the alternative financing mechanisms covered by the grant that is not less than any additional amount paid to the State by the Secretary under this subsection.

"(c) INSUFFICIENT FUNDS.—If funds appropriated under section 308 for a fiscal year are not sufficient to fund each of the acceptable applications for such year, a State whose application was approved as acceptable for such year but that did not receive a grant under this title may update such application for the succeeding fiscal year. Priority shall be given in such succeeding fiscal year to such updated applications, if acceptable.

##### **"SEC. 306. TECHNICAL ASSISTANCE.**

"(a) IN GENERAL.—The Secretary shall provide information and technical assistance to States under this title. The information and technical assistance shall include—

"(1) assisting States in the preparation of applications for grants under this title;

"(2) assisting States that receive such grants in developing and implementing alternative financing mechanisms; and

"(3) providing any other information and technical assistance to assist States in accomplishing the purposes of this title.

"(b) GRANTS, CONTRACTS, AND AGREEMENTS.—The Secretary shall provide the information and

technical assistance described in subsection (a) through grants, contracts, or cooperative agreements with public or private agencies and organizations, including institutions of higher education, with documented experience, expertise, and capacity to assist States in the development and implementation of the alternative financing mechanisms described in section 301.

#### SEC. 307. ANNUAL REPORT.

"Not later than December 31 of each year, the Secretary shall submit a report to the Congress stating whether each State program to provide alternative financing mechanisms that was supported by this title during the year is making significant progress in achieving the objectives of this title. The report shall include—

"(1) the number of applications for a grant under this title that were received by the Secretary;

"(2) the number of grants made and the amounts of such grants;

"(3) the ratio of the amount of funds provided by each State for a State program to provide alternative financing mechanisms to the amount of Federal funds provided for such program;

"(4) the type of program to provide alternative financing mechanisms that was adopted in each State and the community-based organization (or consortia of such organizations) with whom each State has contracted; and

"(5) the amount of assistance given to consumers (who shall be classified by age, type of disability, type of assistive technology device or service received, geographic distribution within the State, gender, and whether they are part of an underrepresented population or a rural population).

#### SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title \$8,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 2002.

"(b) AVAILABILITY IN SUCCEEDING FISCAL YEAR.—Amounts appropriated under subsection (a) shall remain available for expenditure in the fiscal year immediately following the fiscal year for which such amounts were appropriated.

"(c) RESERVATION.—Of the amounts appropriated under subsection (a), the Secretary shall reserve \$250,000 for the purpose of providing information and technical assistance to States under section 306."

#### TITLE IV—AMENDMENTS TO OTHER ACTS

##### SEC. 401. INDIVIDUALS WITH DISABILITIES EDUCATION ACT.

Section 631(a)(1) of the Individuals with Disabilities Education Act (20 U.S.C. 1431(a)(1)) is amended—

(1) by striking ", and" at the end of subparagraph (D) and inserting a comma;

(2) by striking the period at the end of subparagraph (E) and inserting ", and"; and

(3) by adding at the end the following:

"(F) training in the use, applications, and benefits of assistive technology devices and services (as defined in paragraphs (2) and (3) of section 3 of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.))."

##### SEC. 402. REHABILITATION ACT OF 1973.

(a) NATIONAL INSTITUTE ON DISABILITY AND REHABILITATION RESEARCH.—Section 202(b)(8) of the Rehabilitation Act of 1973 (29 U.S.C. 761a(b)(8)) is amended by striking "characteristics of individuals with disabilities" and inserting "characteristics of individuals with disabilities, including information on individuals with disabilities who live in rural or inner-city settings, with particular attention given to underserved populations."

(b) TRAINING.—Section 302(b)(1)(B) of the Rehabilitation Act of 1973 (29 U.S.C.

771a(b)(1)(B)), as added by section 302(b) of Public Law 102-569 (106 Stat. 4412), is amended—

(1) by striking "; and" at the end of clause (ii) and inserting a semicolon;

(2) by striking the period at the end of clause (iii) and inserting "; and"; and

(3) by adding at the end the following:

"(iv) projects to train personnel in the use, applications, and benefits of assistive technology devices and services (as defined in sections 3(2) and 3(3) of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2201 et seq.))."

##### SEC. 403. TECHNICAL AND CONFORMING AMENDMENTS.

(a) ASSISTIVE TECHNOLOGY DEVICE.—Section 7(23) of the Rehabilitation Act of 1973 (29 U.S.C. 706(23)), as added by section 102(n) of Public Law 102-569 (106 Stat. 4350), is amended by striking "3(1)" and inserting "3(2)".

(b) ASSISTIVE TECHNOLOGY SERVICE.—Section 7(24) of the Rehabilitation Act of 1973 (29 U.S.C. 706(24)), as added by section 102(n) of Public Law 102-569 (106 Stat. 4350), is amended by striking "3(2)" and inserting "3(3)".

#### TITLE V—EFFECTIVE DATE

##### SEC. 501. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1993, or on the date of the enactment of this Act, whichever occurs later.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York [Mr. OWENS] is recognized for 20 minutes, and the gentleman from North Carolina [Mr. BALLENGER] is recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

#### GENERAL LEAVE

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 2339.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OWENS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2339, the Technology-Related Assistance For Individuals With Disabilities Amendment of 1993. The Subcommittee on Select Education and Civil Rights understands the urgency and importance of this legislation to the disability community and has moved to incorporate many of their recommendations in this reauthorization. This bill is the culmination of a strong bipartisan effort.

The original law, introduced by Mr. JEFFORDS of Vermont, was passed in 1988 to provide Federal support to States in developing and implementing programs of technology-related assistance. The law also established Federal grants for training, public awareness, demonstration, and innovation projects related to the provision of assistance technology devices and services. Since 1988, this national program has grown from \$5 million to \$34 million in appropriations. The increase in funding is a

testament to the program's tremendous success, proving that much can be accomplished with limited Federal resources in a short period of time.

This bill provides a 9-year reauthorization and sunset for title I, coupled with clearer standards of accountability for the States to ensure that the bill's goals are accomplished within this time frame. The bill is designed to focus the States on promoting systems change which is more responsive to the needs of consumers. It also requires States to contract with protection and advocacy agencies so that individuals with disabilities will have access to legal representation when they are denied assistive technology to which they are entitled under existing law.

Several States have demonstrated the need for low-interest loan programs to enable individuals with disabilities to secure assistive technology in an expeditious manner. Therefore, the bill introduces a program of one-time, Federal matching grants to States for establishing alternative low-interest financing mechanisms.

Assistive technology enables individuals with disabilities to live independently, pursue meaningful careers, and enjoy full inclusion and integration in the mainstream of society. Therefore, the civil rights goals of the Americans With Disabilities Act of 1990 cannot be fully achieved unless individuals with disabilities have access to assistive technology.

As sponsor of this legislation, I recognize that for individuals with disabilities, the stakes could not be higher than in the current environment of high-technology initiatives by the Federal Government and the private sector, particularly with respect to the effort to commercialize defense-related technology. The subcommittee addressed this issue by providing a small amount of money to promote technology transfer to benefit individuals with disabilities. Congress appropriated \$471.6 million for fiscal year 1993 for the technology reinvestment project to stimulate applications of defense-related technology for alternate commercial uses. With so much money being spent on technology transfer, it would be a great tragedy if Congress were to overlook the needs of individuals with disabilities when deciding how the money should be allocated.

H.R. 2339 will ensure that individuals with disabilities have the assistive technology they need to pursue the American dream.

I wish to thank Mr. GOODLING, Mr. BALLENGER, and other subcommittee members and their respective staffs for their support in this bipartisan effort.

Mr. Speaker, I reserve the balance of my time.

Mr. BALLENGER. Mr. Speaker, I yield myself such time as I may consume.

Today we are considering H.R. 2339, the Technology Related Assistance for

Individuals With Disabilities Act Amendments of 1993. This is a bipartisan bill which we bring to the floor today and I commend Congressman OWENS and his staff for their consistent efforts to work out our differences so that we can all support this bill.

H.R. 2339 makes several changes in the current law to strengthen activities States are doing in order to make assistive technology devices and services available to individuals with disabilities. Assistive technology does make a difference in the lives of individuals with disabilities by providing them the opportunity to live independent and productive lives, and this legislation will continue to help make such assistive technology more accessible and available to them.

I am particularly pleased that this bill has a sunset provision repealing this program in fiscal year 2002. This will allow all States to participate in this program for a total of 10 years with a phaseout of Federal dollars in years 9 and 10. When Congress enacted this act in 1988, it was intended to provide Federal seed money to States to develop and implement a statewide system to eliminate barriers and make assistive technology accessible and available. The goal being that once that was accomplished, this Federal program would no longer be needed. I am glad to see that this House is acting responsibly to end a Federal program once it accomplishes its intended goals.

I also support the new provision creating a one-time Federal matching grant to States to develop alternative financing systems so that individuals with disabilities can access financial assistance in order to purchase assistive technology devices. This Federal investment will be no more than \$500,000 per State and will be matched dollar-for-dollar by the State. The State will have the authority to decide what type of alternative financing system to develop, such as a low interest loan or a revolving loan program, and will be required to have commercial lending institutions or State financing agencies jointly administer the program with a community-based organization. The Federal dollars will only provide seed money to help assist States develop their own alternative financing system, and such a system must be the payor of last resort. I believe this provision is essential if we expect individuals with disabilities to purchase assistive technology in order to become more independent.

I support this legislation and believe it will truly change the lives of individuals with disabilities. I urge my colleagues to support the passage of H.R. 2339.

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 2339, the Technology Related Assistance for Individuals With Disabilities Act Amendments of 1993. This legislation was en-

acted in 1988, as a Republican initiative, to improve occupational and educational opportunities for individuals with disabilities through assistive technology devices and services. The intent of the original act was to provide Federal seed money to States to assist them in developing and implementing statewide programs that increase access to, and availability of, assistive technology devices and services.

During the reauthorization process, it came to the committee's attention that the States still need time to change their current systems in order to make assistive technology accessible and available to individuals with disabilities. H.R. 2339 provides for a second 5-year extension grant to States who have demonstrated significant progress in developing and implementing these statewide programs. However, once a State has participated in this program for a total of 10 years, Federal assistance under this program will terminate. I support this sunset provision, and believe it sends a message to States to remove barriers to assistive technology throughout the State.

I also support the new provision which will encourage States to develop alternative financing mechanisms, such as a low interest loan program, to enable individuals with disabilities to purchase assistive technology devices. This one-time Federal matching grant will be for no more than \$500,000 per State. One of the biggest criticisms the committee has heard has been the lack of financial assistance available with disabilities to purchase assistive technology. If States decide to create alternative financing mechanisms, such financial assistance will be available as the payor of last resort once all other public assistance has been denied. I believe these financing systems will be the legacy of the Technology-Related Assistance Act for Individuals With Disabilities by providing the much-needed financial assistance necessary to purchase assistive technology.

I support H.R. 2339 because I have seen the benefits that assistive technology has made in the lives of individuals with disabilities. Assistive technology can be the difference in whether an individual has the opportunity to be independent or is confined to a life of dependency on others. This legislation can make that difference and I urge my colleagues to support it.

Mr. BALLENGER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the bill, H.R. 2339, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to revise and extend the programs of the Technology-Related Assistance for Individuals With Disabilities Act of 1988, and for other purposes."

A motion to reconsider was laid on the table.

□ 1440

# EDUCATIONAL RESEARCH, DEVELOPMENT, AND DISSEMINATION EXCELLENCE ACT

Mr. OWENS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 856) to improve education in the United States by promoting excellence in research, development, and the dissemination of information, as amended.

The Clerk read as follows:

H.R. 856

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Educational Research, Development, and Dissemination Excellence Act".

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.  
Sec. 2. Findings.

## TITLE I—GENERAL PROVISIONS REGARDING OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT

Sec. 101. General provisions.  
Sec. 102. Assistant Secretary for Educational Research and Improvement.  
Sec. 103. Savings provision.  
Sec. 104. Existing grants and contracts.

## TITLE II—NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

Sec. 201. Establishment within Office of Educational Research and Improvement.

## TITLE III—NATIONAL RESEARCH INSTITUTES

Sec. 301. Establishment within Office of Educational Research and Improvement.

## TITLE IV—NATIONAL EDUCATION DISSEMINATION SYSTEM

Sec. 401. Establishment within Office of Educational Research and Improvement.

## TITLE V—NATIONAL LIBRARY OF EDUCATION

Sec. 501. Establishment within Office of Educational Research and Improvement.

## SEC. 2. FINDINGS.

The Congress finds as follows with respect to improving education in the United States:

(1) A majority of public schools in the United States are failing to adequately prepare their students. To achieve the national education goals set forth by the President and the governors of the States, an overwhelming campaign for educational improvement must be mounted in order to set in motion many strategies and models designed to encourage and support school restructuring. The Federal Government must support an extensive program of educational research, development, dissemination, replication and assistance to identify and support the best responses for the challenges ahead. A significant investment in attaining a deeper understanding of the processes of learning and schooling and developing new ideas holds the best hope of making a substantial difference to the lives of every school and student in the United States. The Office of Educational Research and Improvement of the Department of

Education should be at the center of this campaign in order to coordinate such efforts.

(2) The Federal role in educational research has been closely identified with youths who are socioeconomically disadvantaged, belong to a language minority, or are disabled. However, in 1988, the Federal commitment to education was sufficient to serve not more than—

(A) 1 out of every 5 low-income children in need of preschool education;

(B) 2 out of every 5 children in need of remediation;

(C) 1 out of every 4 children in need of bilingual education; and

(D) 1 out of every 20 youths in need of job training.

(3) The failure of the Federal Government to adequately invest in educational research and development has denied the Nation a sound foundation on which to design school improvements, leading to a history of faddism and failed experimentation resulting in a dearth of research in the area of educationally at-risk students. This situation is of particular concern because at least half of the public school students in 25 of the largest cities of the United States are minority children, and demographers project that, by 2005, almost all urban public school students will be minority children or other children in poverty.

(4) The investment goal of the Federal research, development, and dissemination function should be at least 1 percent of the total amount of funds spent on education nationally.

(5) Nationwide model programs and reliable interventions should be demonstrated and replicated, and for such purposes, programs should be established to conduct research and evaluations, and to disseminate information.

(6) The Office of Educational Research and Improvement must develop a national dissemination policy that will advance the goal of placing a national treasure chest of research results, models, and materials at the disposal of the Nation's education decisionmakers.

(7) A National Educational Research Policy and Priorities Board should be established to ensure that an educational research and dissemination agenda is developed and implemented without partisan political interference.

(8) Existing research and development entities should adopt expanded, proactive roles and new institutions must be created to promote knowledge development necessary to accelerate the application of research knowledge to high priority areas.

(9) Greater use should be made of existing technologies in efforts to improve the Nation's educational system, including efforts to disseminate research findings.

(10) Minority educational researchers are inadequately represented throughout the Department of Education, but particularly in the Office of Educational Research and Improvement. The Office therefore must assume a leadership position in the recruitment, retention, and promotion of qualified minority educational researchers.

(11) The coordination of the mission of the Office of Educational Research and Improvement with that of other components of the Department of Education is critical. It must improve the coordination of the educational research, development, and dissemination function with those of other Federal agencies.

#### **TITLE I—GENERAL PROVISIONS REGARDING OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT**

##### **SEC. 101. GENERAL PROVISIONS.**

Section 405 of the General Education Provisions Act (20 U.S.C. 1221e) is amended to read as follows:

#### **"OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT**

##### **"SEC. 405. (a) DECLARATION OF POLICY REGARDING EDUCATIONAL OPPORTUNITY.—**

"(1) IN GENERAL.—The Congress declares it to be the policy of the United States to provide to every individual an equal opportunity to receive an education of high quality regardless of race, color, religion, sex, age, disability, national origin, or social class. Although the American educational system has pursued this objective, it has not attained the objective. Inequalities of opportunity to receive high quality education remain pronounced. To achieve the goal of quality education requires the continued pursuit of knowledge about education through research, development, improvement activities, data collection, synthesis, technical assistance, and information dissemination. While the direction of American education remains primarily the responsibility of State and local governments, the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process.

##### **"(2) MISSION OF OFFICE.—**

"(A) The mission of the Office of Educational Research and Improvement shall be to provide national leadership in—

"(i) expanding fundamental knowledge and understanding of education;

"(ii) promoting excellence and equity in education; and

"(iii) monitoring the state of education.

"(B) The mission of the Office shall be accomplished in collaboration with researchers, teachers, school administrators, parents, students, employers, and policymakers.

##### **"(b) PURPOSE AND STRUCTURE OF OFFICE.—**

"(1) IN GENERAL.—The Secretary, acting through the Office of Educational Research and Improvement, shall carry out the policies set forth in subsection (a). In carrying out such policies, the Secretary shall be guided by the priorities established by the Board of Governors established in section 405A.

"(2) ADMINISTRATIVE STRUCTURE.—The Office shall be administered by the Assistant Secretary and shall include—

"(A) the National Educational Research Policy and Priorities Board established by section 405A;

"(B) the national research institutes established by section 405B;

"(C) the national education dissemination system established by section 405C;

"(D) the National Library of Education established by section 405D;

"(E) the National Center for Education Statistics established by section 406; and

"(F) such other units as the Secretary deems appropriate to carry out the purposes of the Office.

"(3) PRIORITIES IN RESEARCH AND DEVELOPMENT.—The Office shall, in accordance with the provisions of this section, seek to improve education in the United States through concentrating the resources of the Office on the following priority research and development needs:

"(A) The education of at-risk students.

"(B) The education and development of young children.

"(C) Student achievement in elementary and secondary school.

"(D) Postsecondary education, libraries, and lifelong learning for adults.

"(E) The improvement of schools through the restructuring and reform of school governance, policymaking, finance and management at the State, local, school building, and classroom level.

##### **"(4) APPOINTMENT OF EMPLOYEES.—**

"(1) IN GENERAL.—The Assistant Secretary may appoint, for terms not to exceed three years

(without regard to the provisions of title 5 of the United States Code governing appointment in the competitive service) and may compensate (without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates) such scientific or technical employees of the Office as the Assistant Secretary considers necessary to accomplish its functions, provided that—

"(A) at least 60 days prior to the appointment of any such employee, public notice is given of the availability of such position and an opportunity is provided for qualified individuals to apply and compete for such position;

"(B) the rate of basic pay for such employees does not exceed the maximum rate of basic pay payable for positions at GS-15, as determined in accordance with section 5376 of title 5, United States Code;

"(C) the appointment of such employee is necessary to provide the Office with scientific or technical expertise which could not otherwise be obtained by the Office through the competitive service; and

"(D) the total number of such employees does not exceed one-fifth of the number of full-time, regular scientific or professional employees of the Office.

"(2) REAPPOINTMENT OF EMPLOYEES.—The Assistant Secretary may reappoint employees described in paragraph (1) upon presentation of a clear and convincing justification of need, for one additional term not to exceed 3 years. All such employees shall work on activities of the Office and shall not be reassigned to other duties outside the Office during their term.

##### **"(d) AUTHORITY TO PUBLISH.—**

"(1) IN GENERAL.—The Assistant Secretary is authorized to prepare and publish such information, reports, and documents as may be of value in carrying out the purposes of sections 405 through 405D without further clearance or approval by the Secretary or any other office of the Department.

"(2) QUALITY ASSURANCE.—In carrying out such authority, the Assistant Secretary shall—

"(A) establish such procedures as may be necessary to assure that all reports and publications issued by the Office are of the highest quality; and

"(B) provide other offices of the Department with an opportunity to comment upon any report or publication prior to its publication when its contents relate to matters for which such office has responsibility.

"(e) BIENNIAL REPORT ON ACTIVITIES OF OFFICE.—The Assistant Secretary shall transmit to the President and the Congress by not later than December 30 of every other year a biennial report which shall consist of—

"(1) a description of the activities carried out by and through each research institute during the fiscal years for which such report is prepared and any recommendations and comments regarding such activities as the Assistant Secretary considers appropriate;

"(2) a description of the activities carried out by and through the national education dissemination system established by section 405C during the fiscal years for which such report is prepared and any recommendations and comments regarding such activities as the Assistant Secretary considers appropriate;

"(3) such written comments and recommendations as may be submitted by the Board concerning the activities carried out by and through each of the institutes and the national education dissemination system during the fiscal years for which such report is prepared and how such activities relate to the Research Policies and Priorities Plan developed by the Board;

"(4) a description of the coordination activities undertaken pursuant to section 405(f) during

the fiscal years for which such report is prepared;

"(5) recommendations for legislative and administrative changes necessary to improve the coordination of all educational research, development, and dissemination activities carried out within the Federal Government, particularly within the priority research and development needs identified in section 405(b)(3); and

"(6) such additional comments, recommendations, and materials as the Assistant Secretary considers appropriate.

"(f) COORDINATION.—With the advice and assistance of the Board, the Assistant Secretary shall establish and maintain an ongoing program of activities designed to improve the coordination of education research, development, and dissemination and activities within the Department and within the Federal Government, particularly within the priority research and development needs identified in section 405(b)(3), in order to—

"(1) minimize duplication in education research, development, and dissemination carried out by the Federal Government;

"(2) maximize the value of the total Federal investment in education research, development, and dissemination; and

"(3) enable all entities engaged in education research, development, and dissemination within the Federal Government to interact effectively as partners and take full advantage of the diverse resources and proficiencies which each entity has available.

"(g) ACTIVITIES REQUIRED WITH RESPECT TO COORDINATION.—In carrying out such program of coordination, the Assistant Secretary shall compile (and thereafter regularly maintain) and make available a comprehensive inventory of all education research, development, dissemination activities, and expenditures being carried out by the Federal Government within the priority research and development needs identified in section 405(b)(3).

"(h) STANDARDS FOR CONDUCT AND EVALUATION OF RESEARCH.—

"(1) IN GENERAL.—In consultation with the Board, the Assistant Secretary shall develop such standards as may be necessary to govern the conduct and evaluation of all research, development, and dissemination activities carried out by the Office to assure that such activities meet the highest standards of professional excellence. In developing such standards, the Assistant Secretary shall review the procedures utilized by the National Institutes of Health, the National Science Foundation, and other Federal agencies engaged in research and development and shall also actively solicit recommendations from the National Academy of Sciences, the American Educational Research Association and members of the general public.

"(2) CONTENTS OF STANDARDS.—Such standards shall at a minimum—

"(A) require that a system of peer review be utilized by the Office—

"(i) in reviewing and evaluating all applications for grants and cooperative agreements and bids for those contracts which exceed \$100,000;

"(ii) in evaluating and assessing the performance of all recipients of grants from and cooperative agreements and contracts with the Office; and

"(iii) in reviewing and designating exemplary and promising programs in accordance with section 405C(d);

"(B)(i) specify the composition of peer review panels, the criteria for the selection of members of such panels, and describe the means by which potential members shall be identified so as to assure that such panels are broadly representative of individuals with expertise in matters relevant to the purposes of each such panel;

"(ii) prohibit the consideration of partisan affiliation in the selection of any member of a peer review panel;

"(iii) describe the general procedures which shall be used by each peer review panel in its operations;

"(iv) prohibit the participation by a member of a peer review panel in the review of any application in which such member has any financial interest; and

"(v) require that transcripts, minutes, and other documents made available to or prepared for or by a peer review panel will be available for public inspection to the extent consistent with the Freedom of Information Act, the Federal Advisory Committee Act, the Privacy Act, and other laws;

"(C)(i) describe the procedures which shall be utilized in evaluating applications for grants, proposed cooperative agreements, and contract bids;

"(ii) specify the criteria and factors which shall be considered in making such evaluations; and

"(iii) provide that any decision to fund a grant, contract, or cooperative agreement out of its order of ranking by a peer review panel shall be first fully justified in writing and that copies of such justification shall be transmitted to the Board, unless such action is required by some other provision of law;

"(D)(i) describe the procedures which shall be utilized in reviewing educational programs which have been identified by or submitted to the Secretary for evaluation in accordance with section 405C(d); and

"(ii) specify the criteria which shall be used in recommending programs as exemplary and promising; and

"(E)(i) require that the performance of all recipients of grants from and contracts and cooperative agreements with the Office shall be periodically evaluated, both during and at the conclusion of their receipt of assistance;

"(ii) describe the procedures and means by which such evaluations shall be undertaken, including—

"(I) the frequency of such evaluations;

"(II) the criteria, outcome measures, and other factors which shall be taken into account; and

"(III) measures to assure that on-site evaluations of performance shall be utilized to the extent appropriate and whenever practicable; and

"(iii) provide that the results of such evaluations shall be taken into account prior to any decision to continue, renew, or provide new funding to the entity being reviewed.

"(3) PUBLICATION AND PROMULGATION OF STANDARDS.—

"(A) The Assistant Secretary shall publish proposed standards—

"(i) which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (2) not later than 1 year after the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act;

"(ii) which meet the requirements of paragraph (2)(D) not later than 2 years after such date; and

"(iii) which meet the requirements of subparagraph (E) of paragraph (2) not later than 3 years after such date;

"(B) Following the publication of such proposed standards, the Assistant Secretary shall solicit comments from interested members of the public with respect to such proposed standards for a period of not more than 120 days. After giving due consideration to any comments which may have been received, the Assistant Secretary shall transmit such standards to the Board for its review and approval.

"(C) Upon the approval of the Board, the Assistant Secretary shall transmit final standards to the Secretary which meet the requirements of the particular subparagraphs of paragraph (2) for which they were developed. Such standards

shall be binding upon all activities carried out with funds appropriated under section 405.

"(i) ADDITIONAL RESPONSIBILITIES OF THE ASSISTANT SECRETARY.—In carrying out the activities and programs of the Office, the Assistant Secretary shall—

"(1) be guided by the Research Priorities Plan developed by the Board;

"(2) ensure that there is broad and regular public and professional involvement from the educational field in the planning and carrying out of the Office's activities, including establishing teacher advisory boards for any program of office, program or project of the Office as the Assistant Secretary deems necessary;

"(3) ensure that the selection of research topics and the administration of the program are free from undue partisan political influence; and

"(4) ensure that all statistics and other data collected and reported by the Office shall be collected, cross-tabulated, analyzed, and reported by sex within race or ethnicity and socioeconomic status whenever feasible (and when such data collection or analysis is not feasible, ensure that the relevant report or document includes an explanation as to why such data collection or analysis is not feasible).

"(j) DEFINITIONS.—For purposes of this section and sections 405A through 405D:

"(1) The term 'Assistant Secretary' means the Assistant Secretary for Educational Research and Improvement established by section 202 of the Department of Education Organization Act.

"(2) The term 'at-risk student' means a student who, because of limited English proficiency, poverty, geographic location, or educational or economic disadvantage, faces a greater risk of low educational achievement and has greater potential for dropping out of school.

"(3) The term 'Board' means the National Educational Research Policy and Priorities Board.

"(4) The term 'educational research' includes basic and applied research, development, planning, surveys, assessments, evaluations, investigations, experiments, and demonstrations in the field of education and other fields relating to education.

"(5) The term 'development'—

"(A) means the systematic use, adaptation, and transformation of knowledge and understanding gained from research to create alternatives, policies, products, methods, practices, or materials which can contribute to the improvement of educational practice; and

"(B) includes the design and development of prototypes and the testing of such prototypes for the purposes of establishing their feasibility, reliability, and cost-effectiveness.

"(6) The term 'technical assistance' means the provision of external assistance to facilitate the adoption or application of the knowledge gained from educational research and development and includes—

"(A) problem analysis and diagnosis;

"(B) assistance in finding, selecting, or designing suitable solutions and approaches to problems;

"(C) training in the installation and implementation of products, programs, policies, practices, or technologies; and

"(D) such other assistance as may be necessary to encourage the adoption or application of such knowledge.

"(7) The term 'dissemination' means the transfer of knowledge and products gained through research and includes—

"(A) the use of communication techniques to increase awareness of such knowledge and products;

"(B) the provision of comparative and evaluative information necessary to enable educators, school administrators, and others to assess and

make informed judgments about the relevance and usefulness of such knowledge and products in specific settings; and

"(C) the provision of technical assistance needed to adapt, apply, and utilize such knowledge and products in specific educational settings.

"(8) The term 'national education dissemination system' means the activities carried out by the Office of Reform Assistance and Dissemination established by section 405C.

"(9) The term 'Office' means the Office of Educational Research and Improvement established in section 209 of the Department of Education Organization Act.

"(10) The term 'national research institute' means an institute established in section 405B.

"(11) The terms 'United States' and 'State' include the District of Columbia and the Commonwealth of Puerto Rico.

"(k) AUTHORIZATION OF APPROPRIATIONS.—

"(1) NATIONAL INSTITUTES.—

"(A) For the purpose of carrying out section 405B, there is authorized to be appropriated \$37,000,000 for fiscal year 1994.

"(B) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Student Achievement, there are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(C) For the purpose of carrying out the provisions of section 405B relating to the National Institute for the Education of At-Risk Students, there are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(D) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management, there are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(E) For the purpose of carrying out the provisions of section 405B relating to the National Institute for Early Childhood Development and Education, there are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(F) For the purpose of carrying out the provisions of section 405B relating to the National Institute of Postsecondary Education, Libraries, and Lifelong Learning, there are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as are necessary for each of fiscal years 1996 and 1997.

"(2) NATIONAL EDUCATION DISSEMINATION SYSTEM.—

"(A)(i) For the purpose of carrying out subsections (b)(2) through (g) of section 405C, there are authorized to be appropriated \$22,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997.

"(ii) Of the amount appropriated under clause (i) for any fiscal year, the Secretary shall make available not less than \$7,175,000 to carry out subsection (f) of section 405C (relating to clearinghouses).

"(B) For the purpose of carrying out subsection (h) of section 405C (relating to regional educational laboratories), there are authorized to be appropriated \$37,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997. Of the amounts appropriated under the preceding sentence for a fiscal year, the Secretary shall obligate not less than 25 percent to carry out such purpose with respect to rural areas (including schools funded by the Bureau of Indian Affairs which are located in rural areas).

"(C) For the purpose of carrying out subsection (j) of section 405C (relating to the teacher research dissemination network) there are authorized to be appropriated \$30,000,000 for fiscal year 1994, and such sums as are necessary for each of the fiscal years 1995 through 1997.

"(D) For the purpose of carrying out subsection (i) of section 405C (relating to the Goals 2000 Community Partnerships program), there are authorized to be appropriated \$30,000,000 for fiscal year 1994, \$50,000,000 for fiscal year 1995, and such sums as are necessary for each of the fiscal years 1996 and 1997.

"(3) NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD.—Of the amounts appropriated under paragraphs (1) and (2) for any fiscal year, the Secretary shall make available 2 percent of such amounts, or \$1,000,000, whichever is less, to the Board for the purpose of carrying out section 405A.

"(4) ALLOCATIONS FOR GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Of the amounts appropriated under paragraph (1) or (2) for any fiscal year, not less than 95 percent shall be expended to carry out the purposes described in such paragraphs through grants, cooperative agreements, or contracts.

"(5) LIMITATIONS ON APPROPRIATIONS.—No amounts are authorized to be appropriated under paragraph (1) or (2) for fiscal year 1995 or any fiscal year thereafter unless the Board has been appointed in accordance with section 405A.

"(6) GRANT AUTHORIZED.—From the amounts appropriated under paragraph (1) for fiscal year 1995, the Secretary is authorized, in accordance with the provisions of this paragraph, to award a grant of not more than \$5,000,000 to a public or private institution, agency or organization for a period not to exceed five years for the purpose of conducting a State-by-State poll to determine the perceptions of recent graduates of secondary schools, their instructors in institutions of higher education, parents of recent such graduates, and employers of recent such graduates on how well schools have prepared students for further education or employment. The grant shall be awarded on a competitive basis and shall be matched on a two-to-one basis, with the Federal Government contributing one-third of the total costs of the poll."

#### SEC. 102. ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT.

Subsection (b) of section 202 of the Department of Education Organization Act is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (E); and

(B) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively; and

(2) by adding at the end the following new paragraph:

"(3) There shall be in the Department an Assistant Secretary for Educational Research and Improvement who shall be—

"(A) appointed by the President, by and with the consent of the Senate; and

"(B) selected in consultation with the National Educational Research Policy and Priorities Board from among individuals who—

"(i) are distinguished educational researchers;

"(ii) have proven management ability; and

"(iii) have substantial knowledge of education within the United States."

#### SEC. 103. SAVINGS PROVISION.

Notwithstanding any other provision of law, contracts for the regional educational laboratories, education resources information clearinghouses and research and development centers assisted under section 405 of the General Education Provisions Act on the date of the enactment of this Act shall remain in effect until the termination date of such contracts.

#### SEC. 104. EXISTING GRANTS AND CONTRACTS.

Notwithstanding any other provision of law, grants and contracts for the research and development centers assisted under section 405 of the General Education Provisions Act on the date of enactment of this Act shall remain in effect until the termination date of such grants or contracts, as the case may be, except that such grants and contracts may be extended to implement the provisions of this Act.

#### TITLE II—NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

##### SEC. 201. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act (20 U.S.C. 1221e et seq.) is amended by inserting after section 405 the following new section:

##### "NATIONAL EDUCATIONAL RESEARCH POLICY AND PRIORITIES BOARD

"SEC. 405A. (a) IN GENERAL.—There is established within the Office a National Educational Research Policy and Priorities Board (hereafter in this section referred to as the 'Board').

"(b) FUNCTIONS.—It shall be the responsibility of the Board, acting through the Assistant Secretary—

"(1) to determine priorities that should guide the work of the Office and provide guidance to the Congress in its oversight of the Office;

"(2) to review and approve standards for the conduct and evaluation of all research, development, and dissemination carried out under the auspices of the Office pursuant to sections 405 through 405C; and

"(3) to regularly review, evaluate, and publicly comment upon, the implementation of its recommended priorities and policies by the Department and the Congress.

"(c) RESEARCH PRIORITIES PLAN.—In cooperation with the Assistant Secretary, the Board shall—

"(1) survey and assess the state of knowledge in education research, development and dissemination to identify disciplines and areas of inquiry within the priority research, development and dissemination needs identified in section 405(b)(3) in which the state of knowledge is insufficient and which warrant further investigation, taking into account the views of both education researchers and practicing educators;

"(2) consult with the National Education Goals Panel and other authorities on education to identify national priorities for the improvement of education;

"(3) actively solicit recommendations from education researchers, teachers, school administrators, cultural leaders, parents, and others throughout the Nation through such means as periodic regional forums;

"(4) provide recommendations for the development, maintenance, and assurance of a strong infrastructure for education, research, and development in the United States; and

"(5) on the basis of such recommendations, develop a research priorities program which shall recommend priorities for the investment of the resources of the Office over the next 5-, 10-, and 15-year periods, including as priorities those areas of inquiry in which further research, development and dissemination—

"(A) is necessary to attain the goals for the improvement of education identified in paragraph (2);

"(B) promises to yield the greatest practical benefits to teachers and other educators in terms of improving education; and

"(C) will not be undertaken in sufficient scope or intensity by the other Federal and non-Federal entities engaged in education research and development.

"(d) CONTENTS OF PLAN—

"(1) IN GENERAL.—The research and priorities plan described in subsection (c) shall, at a minimum—

"(A) set forth specific objectives which can be expected to be achieved as a result of a Federal investment in the priorities set forth in the plan;

"(B) include recommendations with respect to research and development on cross-cutting issues which should be carried out jointly by 2 or more of the research institutes; and

"(C) include an evaluative summary of the educational research and development activities undertaken by the Federal government during the preceding 2 fiscal years which shall describe—

"(i) what has been learned as a result of such activities;

"(ii) how such new knowledge or understanding extends or otherwise relates to what had been previously known or understood;

"(iii) the implications of such new knowledge or understanding for educational practice and school reform; and

"(iv) any development, reform, and other assistance activities which have utilized such knowledge or understanding and the effects of such efforts.

"(2) REPORT.—

"(A) Not later than 6 months after the first meeting of the Board and October 1 of every second year thereafter, the Assistant Secretary shall publish a report specifying the proposed research priorities of the Office and allow a 60-day period beginning on the date of the publication of the report for public comment and suggestions.

"(B) Not later than 90 days after the expiration of the 60-day period referred to in subparagraph (A), the Assistant Secretary shall submit to the President and the Congress a report specifying the research priorities of the Office and any public comment and suggestions obtained under such subparagraph.

"(e) ADDITIONAL RESPONSIBILITIES OF THE BOARD.—It shall also be the responsibility of the Board to—

"(1) provide advice and assistance to the Assistant Secretary in carrying out the coordination activities described in section 405;

"(2) make recommendations to the Assistant Secretary of persons qualified to fulfill the responsibilities of the Director for each research institute established by section 405B after making special efforts to identify qualified women and minorities and soliciting and giving due consideration to recommendations from professional associations and interested members of the public;

"(3) advise and make recommendations to the President with respect to individuals who are qualified to fulfill the responsibilities of the Assistant Secretary for the Office of Educational Research and Improvement; and

"(4) review and approve standards for the conduct and evaluation of research developed by the Assistant Secretary pursuant to subsection (h) of section 405.

"(f) STANDING SUBCOMMITTEES.—

"(1) ESTABLISHMENT; FUNCTIONS.—The Board shall establish a standing subcommittee for each of the Institutes established by subsection (a) of section 405B and for the Office of Reform Assistance and Dissemination established by subsection (b) of section 405C which shall advise, assist, consult with and make recommendations to the Assistant Secretary, the Board, the Director of such entity and the Congress on matters related to the activities carried out by and through such entities.

"(2) COMPOSITION.—

"(A) Each standing subcommittee shall consist of 3 members of the Board and 6 additional individuals appointed by the Board who have significant experience in and knowledge of the dis-

ciplines relevant to the purposes of the entity for which the subcommittee is established.

"(B) The Board shall assure that the membership of each subcommittee includes both educational researchers and persons who are knowledgeable about the research, development and dissemination needs of practitioners, including classroom teachers, school administrators, and members of State or local boards of education.

"(g) POWERS OF THE BOARD.—In carrying out its functions, powers, and responsibilities, the Board—

"(1) shall, without regard to the provisions of title 5, United States Code, relating to the appointment and compensation of officers or employees of the United States, appoint a director to be paid at a rate not to exceed the rate of basic pay payable for level V of the Executive Schedule who shall assist in carrying out and managing the activities of the Board and perform such other functions the Board determines to be necessary and appropriate;

"(2) shall hire its own staff through routine government procedures;

"(3) may arrange for the detail of staff personnel and utilize the services and facilities of any agency of the Federal Government;

"(4) may enter into contracts, or make other arrangements as may be necessary to carry out its functions;

"(5) may review any grant, contract, or cooperative agreement made or entered into by the Office;

"(6) may, to the extent otherwise permitted by law, obtain directly from any department or agency of the United States such information as it deems necessary to carry out its responsibilities;

"(7) may convene workshops and conferences, collect data, and establish subcommittees which may be composed of members of the Board and nonmember consultants (including employees of the Department) with expertise in the particular area addressed by such subcommittees; and

"(8) shall establish such rules and procedures to govern its operations as it considers appropriate, to the extent otherwise permitted by law.

"(h) MEMBERSHIP IN GENERAL.—

"(1) QUALIFICATIONS.—The members of the Board shall be eminent persons who, by virtue of their training, experience, and background, are exceptionally qualified to appraise the educational research and development effort of the Nation and to establish policies and priorities to govern future Federal investment in educational research, development, and dissemination.

"(2) BROAD REPRESENTATION.—Due consideration shall be given to the gender, race, and ethnicity of appointees to assure that the Board is broadly representative of the diversity of the Nation.

"(3) LIMITATION.—A voting member of the Board may not serve on any other governing or advisory board within the Department of Education.

"(4) CONFLICT OF INTEREST.—A voting member of the Board shall be considered a special Government employee for the purposes of the Ethics in Government Act of 1978.

"(i) SECRETARIAL APPOINTMENTS.—The Board shall consist of 18 members appointed by the Secretary. Of the members of the Board—

"(1) seven shall be appointed from among researchers in the field of education who have been nominated by the National Academy of Sciences and the National Academy of Education (giving due consideration to recommendations made by the American Educational Research Association), including persons who are among the leading authorities on early childhood education and the education of at-risk students;

"(2) five shall be outstanding field-based professional educators;

"(3) one shall be a Chief State School Officer;

"(4) one shall be a local education agency school superintendent or principal;

"(5) one shall be a member of a State or local board of education or Bureau of Indian Affairs-funded school board;

"(6) one shall be a professional librarian, school library media specialist, library administrator, or library science educator;

"(7) one shall be a parent with extensive experience in promoting parental involvement in education; and

"(8) one shall be an individual from business and industry with significant experience in promoting private sector involvement in education.

"(j) REQUIREMENTS FOR NOMINATIONS BY THE NATIONAL ACADEMY OF SCIENCES AND THE NATIONAL ACADEMY OF EDUCATION.—

"(1) IN GENERAL.—In making nominations for the members of the Board described in subsection (i)(1), the National Academy of Sciences and the National Academy of Education—

"(A) may not nominate any individual who is an elected officer or employee of such organizations; and

"(B) shall each nominate not less than 5 individuals for each of the positions on the Board for which such organization has responsibility for making nominations.

"(2) REQUEST FOR ADDITIONAL NOMINATIONS.—In the event that the Secretary determines that none of the individuals nominated by the National Academy of Sciences or the National Academy of Education meets the qualifications for membership on the Board specified in subsection (i), the Secretary may request that such organization make additional nominations.

"(k) NOMINATIONS FOR BOARD MEMBERSHIP.—Prior to appointing any member of the Board, the Secretary shall actively solicit and give due consideration to recommendations of persons qualified for membership on the board from the National Education Association, the American Federation of Teachers, the National Parent-Teachers Association, the American Library Association, the American Association of School Administrators, the National Association of State Boards of Education, the National Indian School Board Association, the Association of Community Tribal Schools, the National Indian Education Association, and other education-related organizations and interested members of the public.

"(l) EX OFFICIO MEMBERS.—The ex officio, nonvoting members of the Board shall include the Assistant Secretary and may also include—

"(1) the Director of Research for the Department of Defense;

"(2) the Director of Research for the Department of Labor;

"(3) the Director of the National Science Foundation;

"(4) the Director of the National Institutes of Health;

"(5) the chair of the National Endowment for the Arts;

"(6) the chair of the National Endowment for the Humanities;

"(7) the Librarian of Congress; and

"(8) the Director of the Office of Indian Education Programs of the Department of the Interior.

"(m) CHAIR.—The Board shall select a Chair from among its appointed members who shall serve for a renewable term of 2 years.

"(n) TERMS OF OFFICE.—

"(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the term of office of each voting member of the Board shall be 5 years.

"(2) EXCEPTIONS.—

"(A) Any individual appointed to fill a vacancy occurring on the Board prior to the expiration of the term for which the predecessor of the individual was appointed shall be appointed

for the remainder of the term. A vacancy shall be filled in the same manner in which the original appointment was made.

"(B) The terms of office of the members of the Board who first take office after the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act shall, as designated by a random selection process at the time of appointment, be as follows:

"(i) 2 years for each of 6 members of the Board.

"(ii) 3 years for each of 6 members of the Board.

"(iii) 5 years for each of 6 members of the Board.

"(3) PROHIBITION ON CERTAIN CONSECUTIVE TERMS.—An individual who has been a member of the Board for 10 consecutive years shall thereafter be ineligible for appointment during the 5-year period beginning on the date of the expiration of the 10th year.

"(o) MEETINGS OF BOARD.—

"(1) INITIAL MEETING.—The Secretary shall ensure that the first meeting of the Board is held not later than May 15, 1994.

"(2) SUBSEQUENT MEETINGS.—The Board shall meet quarterly, at the call of the Chair, and when at least one-third of the members of the Board make a written request to meet.

"(3) QUORUM.—A majority of the Board shall constitute a quorum.

"(4) OPEN MEETINGS.—The Government in the Sunshine Act (5 U.S.C. 552b) shall apply to meetings of the Board."

### TITLE III—NATIONAL RESEARCH INSTITUTES

#### SEC. 301. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 201 of this Act, is amended by inserting after section 405A the following new section:

##### "NATIONAL RESEARCH INSTITUTES

"SEC. 405B. (a) ESTABLISHMENT OF INSTITUTES.—In order to fulfill the research and development purposes of the Office, and to carry out, in accordance with the standards established by the Board, a program of high-quality and rigorously evaluated research and development that is capable of improving Federal, State, Indian tribal, and local education policies and practices, there are established within the Office the following institutes:

"(1) The National Institute for the Education of At-Risk Students.

"(2) The National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management.

"(3) The National Institute for Early Childhood Development and Education.

"(4) The National Institute on Student Achievement.

"(5) The National Institute on Postsecondary Education, Libraries, and Lifelong Education.

"(b) DIRECTORS.—

"(1) IN GENERAL.—Each Institute established by subsection (a) shall be headed by a Director who shall be appointed by the Assistant Secretary from among persons who have significant experience and expertise in the disciplines relevant to the purposes of such Institute. Prior to making such appointment, the Assistant Secretary shall solicit and give due consideration to recommendations made by the Board of persons qualified to fulfill the position.

"(2) TERM OF OFFICE.—The Director of each Institute shall serve for a renewable term of 3 years.

"(3) REPORTING.—Each Director shall report directly to the Assistant Secretary regarding the activities of the Institute and shall work with the other directors to promote research syntheses across the Institutes.

"(c) AUTHORITIES AND DUTIES.—

"(1) IN GENERAL.—The Assistant Secretary is authorized to conduct research, development, demonstration, and evaluation activities to carry out the purposes for which such Institute was established—

"(A) directly;

"(B) through grants, contracts, and cooperative agreements with institutions of higher education, regional educational laboratories, public and private organizations, institutions, agencies, and individuals, which may include—

"(i) grants to support research and development centers which are—

"(I) awarded competitively for a period of not less than 6 and not more than 10 years;

"(II) funded at not less than \$2,000,000 annually in order to support a full range of basic research, applied research and dissemination activities, which may also include development activities; and

"(III) established by institutions of higher education, by institutions of higher education in consortium with public agencies or private nonprofit organizations, or by interstate agencies established by compact which operate subsidiary bodies established to conduct postsecondary educational research and development;

"(ii) public-private research partnerships established by a State or local education agency, Bureau of Indian Affairs-funded school, or tribal department of education, in concert with a private organization and a team of educational researchers, for which the Federal share shall be limited to not more than 50 percent of the total costs of the project;

"(iii) meritorious unsolicited proposals for educational research and related activities;

"(iv) proposals that are specifically invited or requested by the Assistant Secretary, on a competitive basis; and

"(v) dissertation grants, awarded for a period of not more than 2 years and in a total amount not to exceed \$20,000 to graduate students in the sciences, humanities, and the arts to support research by such scholars in the field of education;

"(C) through the provision of technical assistance; and

"(D) through the award of fellowships to support graduate study in educational research by qualified African-American, Hispanic, American Indian and Alaska Native, and other individuals from groups which have been traditionally underrepresented in the field of educational research which shall—

"(i) be awarded on the basis of merit for a period of 3 years; and

"(ii) provide stipends to each fellow in an amount which shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except that such amounts shall be adjusted as necessary so as not to exceed each fellow's demonstrated level of need.

"(2) SCOPE AND FOCUS OF ACTIVITIES.—In carrying out the purposes for which each Institute is established, the Assistant Secretary shall—

"(A) maintain an appropriate balance between applied and basic research;

"(B) significantly expand the role of field-initiated research in meeting the Nation's education research and development needs by reserving not less than 15 percent of the amounts available to each Institute in any fiscal year to support field-initiated research described in clauses (iii) through (v) of paragraph (1);

"(C) provide for and maintain a stable foundation of long-term research and development on core issues and concerns conducted through university-based research and development centers by reserving not less than one-third of the amounts available to each Institute in any fiscal year to support such research and development centers;

"(D) support and provide research information that leads to policy formation for State legislatures, State and local boards of education and other policy and governing bodies, to assist such entities in identifying and developing effective policies to promote student achievement and school improvement; and

"(E) coordinate the Institute's activities with the activities of the regional educational laboratories and with other educational service organizations in designing the Institute's research agenda and projects in order to increase the responsiveness of such Institute to the needs of teachers and the educational field and to bring research findings directly into schools to ensure greatest access at the local level to the latest research developments.

"(3) REQUIREMENTS REGARDING FINANCIAL ASSISTANCE.—No grant, contract, or cooperative agreement may be made under this section unless—

"(A) sufficient notice of the availability of, and opportunity to compete for, assistance has first been provided to potential applicants through notice published in the Federal Register or other appropriate means;

"(B) it has been evaluated through peer review in accordance with the standards developed pursuant to subsection (h) of section 405;

"(C) it will be evaluated in accordance with the standards developed pursuant to subsection (h) of section 405;

"(D) in the case of a grant, contract, or cooperative agreement which exceeds \$500,000 for a single fiscal year or \$1,000,000 for more than one fiscal year, the Secretary has complied with the requirements of paragraph (4); and

"(E) in the case of a grant, contract, or cooperative agreement to support a research and development center, all applications for such assistance have been evaluated by independent experts according to standards and criteria which include—

"(i) whether applicants have assembled a critical mass of high quality researchers sufficient to achieve the mission of the center;

"(ii) whether the proposed organizational structure and arrangements will facilitate achievement of the mission of the center;

"(iii) whether there is a substantial staff commitment to the work of the center;

"(iv) whether the directors and staff will devote adequate time to center activities; and

"(v) review of the contributions of primary researchers (other than researchers at the proposed center) to evaluate the appropriateness of such primary researcher's experiences and expertise in the context of the proposed center activities, and the adequacy of such primary researcher's time commitment to achievement of the mission of the center.

"(4) BOARD REVIEW OF CERTAIN PROPOSED GRANT AND CONTRACT ACTIONS.—The Assistant Secretary may not solicit any contract bid or issue a request for proposals or applications for any grant or cooperative agreement the amount of which exceeds \$500,000 in any single fiscal year or which exceeds an aggregate amount of \$1,000,000 for more than one fiscal year unless the Board has had an opportunity to review such proposed grant, contract, or cooperative agreement action and to provide written comments to the Assistant Secretary with respect to whether—

"(A) the purposes and scope of the proposed action are consistent with the Research Priorities Plan; and

"(B) the methodology and approach of the proposed action are sound and adequate to achieve its stated objectives.

"(5) HISTORICALLY UNDERUTILIZED RESEARCHERS AND INSTITUTIONS.—The Assistant Secretary shall establish and maintain initiatives and programs to increase the participation in the activities of each Institute of groups of researchers

and institutions that have been historically underutilized in Federal educational research activities, including—

“(A) researchers who are women, African-American, Hispanic, American Indian and Alaska Native, or other ethnic minorities;

“(B) promising young or new researchers in the field, such as postdoctoral students and recently appointed assistant or associate professors;

“(C) historically black colleges and universities, tribally controlled community colleges, and other institutions of higher education with large numbers of minority students;

“(D) institutions of higher education located in rural areas; and

“(E) institutions and researchers located in States and regions of the Nation which have historically received the least Federal support for educational research and development.

“(6) ADDITIONAL AUTHORITIES.—The Assistant Secretary—

“(A) may obtain (in accordance with section 3109 of title 5 but without regard to the limitation in such section on the period of service) the services of experts or consultants with scientific or professional qualifications in the disciplines relevant to the purposes of such Institute;

“(B) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

“(C) may accept voluntary and uncompensated services; and

“(D) may accept unconditional gifts made to the Office to support its activities.

“(d) NATIONAL INSTITUTE FOR THE EDUCATION OF AT-RISK STUDENTS.—

“(1) FINDINGS.—The Congress finds as follows:

“(A) The rate of decline in our urban schools is escalating at a rapid pace. Student performance in most inner city schools grows worse each year. At least half of all students entering ninth grade fail to graduate 4 years later and many more students from high-poverty backgrounds leave school with skills that are inadequate for today's workplace. In 1988 the average National Assessment of Educational Progress (NAEP) reading score of white 17 year-olds was approximately 20 points higher than that of African-American 17 year-olds and 25 points higher than that of Hispanic 17 year-olds. None of the existing Federal educational research and development programs are adequately addressing this obvious emergency.

“(B) Rural schools enroll a disproportionately large share of the Nation's poor and at-risk students and yet often lack the means to address effectively the needs of these children. Intensive efforts must be made to overcome the problems of geographic isolation, declining population, inadequate financial resources and other impediments to the educational success of children residing in rural areas.

“(C) By the year 2000, an estimated 3.4 million school age children with limited English language proficiency will be entering the school system. The Federal Government must develop effective policies and programs to address the educational needs of this growing population of children who are at increased risk for educational failure.

“(D) An educational emergency exists in those urban and rural areas where there are large concentrations of children who live in poverty. The numbers of educationally disadvantaged children will substantially increase by the year 2020, when the number of impoverished children alone will be 16.5 million, a 33 percent increase over the 12.4 million children in poverty in 1987.

“(E) American Indian and Alaska Native students are keenly at-risk of educational failure, with demonstrated high dropout, illiteracy and poverty rates, and cultural, linguistic, social

and geographic isolation. The estimated 400,000 Indian and Alaska Native student population from over 500 Indian and Alaska Native tribes, is small and scattered throughout remote reservations and villages in 32 States, and in off-reservation rural and urban communities where Indians constitute but a small percentage of public school student bodies. To meaningfully address the special educational needs of this historically under-served population, the existing research and development system must be opened to Indian and Alaska Native people to identify needs and design ways to address such needs.

“(F) Minority scholars as well as institutions and groups that have been historically committed to the improvement of the education of at-risk students need to be more fully mobilized in the effort to develop a new generation of programs, models, practices, and schools capable of responding to the urgent needs of students who are educationally at-risk.

“(2) PURPOSE.—It shall be the purpose of the Institute for the Education of At-Risk Students to carry out a coordinated and comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve educational opportunities for students who are at-risk for educational failure, particularly children who reside in inner city and rural areas, and on Indian reservations, and children of limited English proficiency. Such program shall—

“(A) undertake research necessary to provide a sound basis from which to identify, develop, evaluate, and assist others to replicate and adapt interventions, programs, and models which promote greater achievement and educational success by at-risk students, such as—

“(i) methods of instruction and educational practices (including community services) which improve the achievement and retention of at-risk students;

“(ii) means by which parents and community resources and institutions (including cultural institutions) can be utilized to support and improve the achievement of at-risk students;

“(iii) the training of teachers and other educational professionals and paraprofessionals to work more effectively with at-risk students;

“(iv) the most effective uses of technology in the education of at-risk students;

“(v) programs designed to promote gender equity in schools that serve at-risk students; and

“(vi) methods of assessing the achievement of students which are sensitive to cultural differences, provide multiple methods of assessing student learning, support student acquisition of higher order capabilities, and enable identification of the effects of inequalities in the resources available to support the learning of children throughout the Nation; and

“(B) maximize the participation of those schools and institutions of higher education that serve the greatest number of at-risk students in inner city and rural areas, and on Indian reservations, including model collaborative programs between schools and schools systems, institutions of higher education, cultural institutions, and community organizations.

“(3) COMPREHENSIVE RESEARCH PROGRAM.—The Institute shall support a diverse and comprehensive program of research and development which shall include research related to the educational needs of—

“(A) at-risk students who reside in urban areas;

“(B) at-risk students who reside in rural areas;

“(C) children with limited English language proficiency; and

“(D) Indian and Alaska Native students.

“(4) CONSULTATION WITH INDIAN AND ALASKA NATIVE EDUCATORS.—All research and develop-

ment activities supported by the Institute which relate to the education of Indian and Alaska Native students shall be developed in close consultation with Indian and Alaska Native researchers and educators, tribally controlled community colleges, tribal departments of education, and others with expertise in the needs of Indian and Alaska Native students.

“(e) NATIONAL INSTITUTE FOR INNOVATION IN EDUCATIONAL GOVERNANCE, FINANCE, POLICY-MAKING, AND MANAGEMENT.—

“(1) FINDINGS.—The Congress finds as follows:

“(A) Many elementary and secondary schools in the United States—

“(i) are structured according to models that are ineffective and rely on notions of management and governance that may be outdated or insufficient for the challenges of the next century; and

“(ii) are unsuccessful in equipping all students with the knowledge and skills needed to succeed as citizens and in the working world.

“(B) New approaches are needed in the governance and management of elementary and secondary education with the United States at the State, local, school building and classroom level.

“(C) Not enough is known about the effects of various systems of school governance and management on student achievement to provide sound guidance to policymakers as they pursue school restructuring and reform.

“(D) A concentrated Federal effort is needed to support research, development, demonstration, and evaluation of approaches to school governance, finance and management which promise to improve education equity and excellence throughout the Nation.

“(2) PURPOSE.—It shall be the purpose of the National Institute on Innovation in Educational Governance, Finance, Policy-Making, and Management to carry out a coordinated and comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve student achievement through school restructuring and reform. Such program shall—

“(A) undertake research necessary to provide a sound basis from which to identify, develop and evaluate approaches in governance, finance, policy-making, and management at the State, local, tribal, school building and classroom level which promise to improve educational equity and excellence, such as—

“(i) open enrollment programs, magnet schools and other systems through which parents may select the public schools and educational programs in which their children are enrolled;

“(ii) innovative school design, including lengthening the school day and the school year, reducing class size and building professional development into the weekly school schedule;

“(iii) effective approaches to organizing learning;

“(iv) effective ways of grouping students for learning so that a student is not labeled or stigmatized in ways that may impede such student's achievement;

“(v) effective approaches to organizing, structuring, and financing vocational education;

“(vi) the provision of financial and other rewards and incentives based on performance to improve student achievement;

“(vii) the use of regulatory flexibility on the State or district level to promote innovation and school restructuring;

“(viii) school-based management;

“(ix) the restructuring of school finance systems at the State and local level to promote greater equity in the distribution of resources for education and to maximize the allocation of such resources to support direct learning;

“(x) expanding the role of teachers in policy-making and administration at the school and district-wide level;

"(xi) programs designed to increase the involvement of parents and families in the management and governance of schools and the education of their children;

"(xii) effective approaches to increasing the representation of women and minorities among leadership and management positions in education;

"(xiii) approaches to systemic reforms involving the coordination of multiple policies of each level of government to promote higher levels of student achievement;

"(xiv) approaches to coordinated services for children; and

"(xv) policies related to school to work transitions and preparing noncollege-bound students; and

"(B) undertake research and development activities necessary to provide information on the skills required for successful educational leadership at the State, tribal, and local level and to enhance the ability of school leaders and administrators to improve the educational environment for all students.

"(3) RESEARCH ON EDUCATIONAL CHOICE.—In carrying out the duties of the Institute, the Assistant Secretary shall conduct or support research on whether and to what extent the quality of education in the United States would be improved by providing public funds to parents for the costs of attendance of their children at the elementary and secondary schools of the parents' choice.

"(f) NATIONAL INSTITUTE FOR EARLY CHILDHOOD DEVELOPMENT AND EDUCATION.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The Nation has set as a goal that all children should arrive at school ready to learn.

"(B) Despite efforts to expand and improve preschool programs, many children still reach school age unprepared to benefit from formal education programs.

"(C) Early intervention for disadvantaged children from conception to age five has been shown to be a highly cost-effective strategy for reducing later expenditures on a wide variety of health, developmental, and educational problems that often interfere with learning. Long-term studies of the benefits of preschool education have a demonstrated return on investment ranging from three to six dollars for every one dollar spent.

"(D) The Federal government should play a central role in providing research-based information on early childhood education models which enhance children's development and ultimately their success in school.

"(2) PURPOSE.—The purpose of the National Institute for Early Childhood Development and Education is to carry out a comprehensive program of research and development to provide nonpartisan, research-based leadership to the Nation as it seeks to improve early childhood development and education. Such program shall identify, develop, evaluate, and assist others to replicate sound policies and practices that may include—

"(A) social and educational development of all infants, toddlers, and preschool children;

"(B) the role of parents and the community in promoting the successful social and educational development of children from birth to age five;

"(C) training and preparation of teachers and other professional and paraprofessional preschool and child care workers;

"(D) the structure and environment of early childhood education and child care settings which lead to improved social and educational development;

"(E) practices and approaches which sustain the benefits of effective preschool and child care programs;

"(F) effective learning methods and curriculum for early childhood learning, including access to current materials in libraries;

"(G) the importance of family literacy and parental involvement in student learning;

"(H) the impact that outside influences have on learning, including television, and drug and alcohol abuse; and

"(I) methods for integrating learning in settings other than the classroom, such as within families and communities, with a special emphasis on character development and the value of hard work.

"(3) CERTAIN REQUIREMENTS.—In carrying out the activities of the Institute, the Assistant Secretary shall—

"(A) place special emphasis on the special early childhood education needs of at-risk children, children with disabilities, and girls; and

"(B) ensure that its research and development program provides information that can be utilized in improving the major Federal early childhood education programs, including Head Start, Even Start, chapter 1 preschool programs, and part H of the Individuals with Disabilities Education Act, and Bureau of Indian Affairs early childhood development programs.

"(g) NATIONAL INSTITUTE ON STUDENT ACHIEVEMENT.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The current achievement levels of students in the Nation are far below those that might indicate competency in challenging subject matter in English, mathematics, science, history, and geography and other areas, or across the subject areas.

"(B) Very few students demonstrate that they can use their minds well. In recent assessments, more students are gaining basic skills, yet fewer are demonstrating a grasp of higher-level applications of those skills.

"(C) During the past 20 years, relatively little has changed in how students are taught. Despite much research suggesting better alternatives, classrooms are still dominated by textbooks, teacher lectures, and short-answer activity sheets and unequal patterns of student attention.

"(D) Despite progress in narrowing the gaps, the differences in performance between white students and their minority counterparts remain unacceptably large. While progress has been made in reducing the gender gap in mathematics, it still remains at higher levels of problem solving. Too little progress has been made in reducing gender performance gaps favoring males in science and females in writing.

"(2) PURPOSE.—The purpose of the National Institute on Student Achievement is to carry out a coordinated and comprehensive program of research and development to provide research-based leadership to the Nation as it seeks to improve student achievement in English, mathematics, science, history, geography, and other subject areas and across the boundaries of the subject areas. Such program shall—

"(A) identify, develop, and evaluate innovative and exemplary methods to improve student knowledge at all levels in English, mathematics, science, history, geography, civics and government, foreign languages, arts and humanities, economics, and other subject areas, such as—

"(i) student learning and assessment in various subject matters;

"(ii) the effects of organizational patterns on the delivery of instruction, including issues of grouping and tracking, ungraded classrooms, and on the effects of various pedagogies, including the issues of technology in education;

"(iii) the best methods of teacher preparation;

"(iv) methods to improve the process of reading, the craft of writing, the growth of reasoning skills, and the development of information-finding skills;

"(v) enabling students to develop higher order thinking skills;

"(vi) methods to teach effectively all students in mixed-ability classrooms;

"(vii) curriculum, instruction, and assessment, in vocational education;

"(viii) the impact and effectiveness of Federal, State, and local efforts to provide gender-fair educational opportunities to elementary and secondary students; and

"(ix) programs, policies, approaches which promote gender equity in elementary and secondary education;

"(B) conduct basic and applied research in the areas of human learning, cognition, and performance, including research and development on the education contexts which promote excellence in learning and instruction, and motivational issues which provide a key to learning;

"(C) identify, develop, and evaluate programs designed to enhance academic achievement and narrow racial and gender performance gaps in a variety of subject areas, including research and development on methods of involving parents in their children's education and ways to involve business, industry and other community partners in promoting excellence in schools; and

"(D) include a comprehensive, coordinated program of research and development in the area of assessment which—

"(i) addresses such issues as—

"(I) the validity, reliability, generalizability, fairness, costs, relative merits, and most appropriate uses of various approaches and methods of assessing student learning and achievement;

"(II) methods and approaches to assessing student opportunities to learn (including the quality of instruction and the availability of resources necessary to support learning) and evaluating the quality of school environment;

"(III) the design, development, evaluation, and validation of model performance-based and other alternative or innovative formats or uses of assessments;

"(IV) the impact of high-stakes uses of assessment on student performance and motivation, narrowing of curriculum, teaching practices, and test integrity;

"(V) the fairness and impact of various methods of assessment on children of different races, ethnicities, gender, socioeconomic status, English language proficiencies, and children with other special needs;

"(VI) standards of performance, quality, and validity for various methods of assessment and the means by which such standards should be developed;

"(VII) current and emerging testing practices of State and local education agencies within the United States, as well as other nations;

"(VIII) the diverse effects, both intended and unintended, of assessments as actually used in the schools, including effects on curriculum and instruction, effects on equity in the allocation of resources and opportunities, effects on equity of outcomes, effects on other procedures and standards for judging students and practitioners and possible inflation of test scores;

"(IX) identifying and evaluating how students with limited English language proficiency and students with disabilities are included and accommodated in the various assessment programs of State and local education agencies; and

"(X) the feasibility and validity of comparing or equating the results of different assessments;

"(ii) reflects recommendations made by the National Education Goals Panel (provided such panel has been authorized by law);

"(iii) complies with the 'Standards for Educational and Psychological Tests' developed by the American Psychological Association, the National Council on Measurement in Education, and the American Educational Research Association;

"(iv) is consistent with the 'Criteria for Evaluation of Student Assessment Systems' developed by the National Forum on Assessment; and

"(v) complies with the 'Code of Fair Testing Practices in Education' developed by the Joint Committee on Testing Practices.

For purposes of this subparagraph, the term 'development' means the development of prototypes for the purposes of research and evaluation.

"(h) NATIONAL INSTITUTE FOR POSTSECONDARY EDUCATION, LIBRARIES, AND LIFELONG LEARNING.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) The American system of postsecondary education is foremost in the world in its achievement of both academic excellence and equity in access, but maintaining that preeminence requires renewed efforts to strengthen the quality of postsecondary education. Disappointing student performance on achievement tests and licensure examinations, declining rates of persistence and completion among minorities, and other troubling trends in the quality of postsecondary education must be addressed by the Nation as part of its overall drive to improve American education.

"(B) The need to improve our Nation's economic productivity to meet the competitive challenges of a new, international economy, coupled with high levels of mobility in the United States labor market and demographic changes in the workforce, now demands more and higher quality programs of learning and training in the American workplace.

"(C) The more than 1,000,000 men and women incarcerated in the Nation's prisons and jails are among the most severely educationally disadvantaged in the United States, with high rates of functional illiteracy and extremely low levels of educational attainment. Since an estimated 90 percent of these individuals are expected to be released by the end of the decade, the Nation must act to assure that our correctional system has the means to equip these Americans with the knowledge and skills they will need to participate productively in our society.

"(D) The development of a 'Nation of Students' capable of and committed to the pursuit of formal and informal lifelong learning is essential to sustain both national and individual economic success and to provide a nurturing environment in which all children and youth can learn and achieve. Historically the most effective community resource for lifelong learning, the Nation's public library system must expand and restructure its delivery of services to take full advantage of the potential of new information technologies to meet the needs of learning communities.

"(2) PURPOSE.—The purpose of the National Institute for Postsecondary Education, Libraries, and Lifelong Learning is to promote greater coordination of Federal research and development on issues related to adult learning and to carry out a program of research and development in adult learning to provide nonpartisan, research-based leadership to the Nation as it seeks to improve libraries, postsecondary education, and lifelong learning throughout the United States. Such program—

"(A) shall promote greater coordination, cooperation, and interaction among entities within the Federal Government which support research and development related to postsecondary education, libraries, and lifelong learning;

"(B) shall enable greater collaboration among entities within the Federal Government which support research and development related to postsecondary education, libraries, and lifelong learning by supporting research and development projects which are carried out jointly by such entities;

"(C) shall support research and development in those areas of postsecondary education, libraries, and lifelong learning which are not being addressed sufficiently by other entities within the Federal Government;

"(D) may include basic and applied research, development, replication, and evaluation activities in such areas as—

"(i) methods of assessing and evaluating individual, program, and institutional performance;

"(ii) the uses and applications of new technologies to improve program effectiveness and enhance student learning;

"(iii) practices, policies, and programs which address the unique needs of adult learners, including—

"(I) institutional and classroom policies and practices at the postsecondary level necessary to improve matriculation, persistence, achievement and graduation by students who are economically disadvantaged, ethnic and racial minorities, women, older, working, and who have children;

"(II) instructional practices and programs which are effective in correctional settings;

"(III) new models of service delivery for public library systems which expand opportunities for lifelong learning;

"(IV) effective programs and approaches which promote greater access to and success by minorities in postsecondary programs which prepare them for scientific, technical, teaching, and health career fields;

"(V) effective approaches to work-based learning; and

"(VI) the most effective training methods for adults to upgrade education and vocational skills;

"(iv) the effectiveness of Historically Black Colleges and Universities, Tribally-Controlled Indian Community Colleges, women's colleges, and other special mission institutions in fulfilling their mission of providing access and equal opportunity in higher education;

"(v) the quality of higher education at all levels and the roles and responsibilities of regional and national accrediting agencies in assuring the quality and relevance of academic goals and objectives established by institutions of higher education;

"(vi) approaches to improving the productivity of colleges, community colleges, universities, and other postsecondary institutions;

"(vii) financial barriers to postsecondary educational opportunity, including—

"(I) the role of Federal programs authorized under title IV of the Higher Education Act and State grant and work programs in mitigating such barriers;

"(II) the impact of the rising total cost of postsecondary education on access to higher education; and

"(III) the extent and impact of student reliance on loans to meet the costs of higher education;

"(viii) opportunities for adults to continue their education beyond higher education and graduate school, in the context of lifelong learning and information-finding skills; and

"(ix) preparing students for a lifetime of work, the ability to adapt through retraining to the changing needs of the work force and the ability to learn new tasks.

"(3) INVOLVEMENT OF CERTAIN AGENCIES AND ORGANIZATIONS.—In promoting coordination and collaboration on research and development on issues related to postsecondary education, libraries, and lifelong learning, the Institute shall, as appropriate, seek the involvement of—

"(A) within the Department of Education—

"(i) the Office of Library Programs;

"(ii) the Office of Correctional Education;

"(iii) the Office of Vocational and Adult Education;

"(iv) the National Institute on Disability and Rehabilitation Research; and

"(v) the Office of Postsecondary Education;

"(B) the National Institute for Literacy;

"(C) the National Board for Professional Teaching Standards;

"(D) the Employment and Training Administration of the Department of Labor;

"(E) the Administration for Children and Families within the Department of Health and Human Services;

"(F) the National Institutes of Health;

"(G) the National Endowment for Humanities;

"(H) the National Endowment for the Arts;

"(I) the Bureau of Prisons of the Department of Justice;

"(J) the Department of Commerce;

"(K) the Department of Defense; and

"(L) the Office of Indian Education Programs of the Department of the Interior.

"(4) In addition to the responsibilities described in paragraph (2), the Assistant Secretary shall ensure that the activities of the existing National Center on Literacy are fully coordinated with those of the National Institute for Literacy.

"(i) COORDINATION OF RESEARCH ON CROSS-CUTTING ISSUES.—The Assistant Secretary shall promote the coordination of research and development activities among the Institutes established by subsection (a) to investigate those cross-cutting disciplines and areas of inquiry, such as assessment, the use of technology and the training of teachers and school administrators, which are relevant to the missions of more than one of the Institutes. Such activities shall—

"(1) address cross-cutting disciplines and areas of inquiry which have been proposed by the Assistant Secretary and are consistent with the research priorities identified by the Board;

"(2) be carried out jointly (1) by any one of the Institutes and—

"(A) one (or more) of the Institutes;

"(B) the National Center for Education Statistics; or

"(C) any research and development entity administered by other offices of the Department of Education or by any other Federal agency or Department; and

"(3) meet all the standards set by the Assistant Secretary and the Board for other research and development conducted by the Office.

"(j) PROGRAM ON TEACHING AND TEACHER EDUCATION.—

"(1) IN GENERAL.—The Assistant Secretary, in accordance with the requirements of this subsection, shall undertake a comprehensive, coordinated program of research in the area of teaching, teacher education, and professional development.

"(2) CERTAIN PURPOSES OF PROGRAM.—In carrying out the program established under paragraph (1), the Assistant Secretary shall conduct, directly or through grants and contracts, basic and applied research and analytical activities to further knowledge about, make recommendations, and improve—

"(A) the ability of classroom teachers and schools to assist new and diverse populations of students in successfully assimilating into the classroom environment;

"(B) the working conditions of teachers and other educational practitioners, which may include such topics as—

"(i) teacher isolation;

"(ii) professional resources available to teachers;

"(iii) continuing educational and professional opportunities available to teachers;

"(iv) physical facilities and equipment, such as office space, telephone, computer access, and fax machines and television cable access available to teachers in the work environment;

"(v) opportunities for teachers to share information and resources with other teachers and education professionals;

"(vi) opportunities for advanced learning experience; and

"(vii) the reduction of stress in the teaching profession;

"(C) institutional program renewal and instruction;

"(D) restructuring of State certification of teachers and teacher education standards; and

"(E) assisting in the development of teacher certification standards by Indian tribal departments of education.

"(3) CERTAIN ACTIVITIES.—In carrying out the program established under paragraph (1), the Assistant Secretary—

"(A) shall work with institutions of higher education engaged in the preparation of teachers and professional organizations of teacher educators and practitioners to encourage institutional program renewal and restructuring;

"(B) may conduct, directly or through grants and contracts research on—

"(i) effective and reflective teaching for the preparation and continuing education of teachers;

"(ii) the use of computing and multi-made technology to advance the understanding and abilities of teacher educators and classroom teachers;

"(iii) the development and appraisal of curriculum and curriculum materials for the initial and continuing education of teachers and teacher educators; and

"(iv) strengthening the evaluation and dissemination of information on programs for continuing professional education and renewal of those who educate teachers for initial or advanced licensure or certification; and

"(C) shall work with the national regional education laboratories, the ERIC clearinghouses, national education research library, and the National Center for Education Statistics to maximize information available, to prevent unnecessary duplication of efforts and resources, and to ensure the results of the centers work are widely available.

"(k) RESEARCH ON EDUCATIONAL TECHNOLOGY.—The Assistant Secretary shall undertake a comprehensive, coordinated program of research and development in the area of the uses and applications of technology in education. Such program—

"(1) may support basic and applied research and development, analysis, evaluation in the area of the uses and applications of technology to education, including—

"(A) the capabilities of current and emerging technologies and their possible uses in education;

"(B) the uses and applications of technology—

"(i) to improve instruction within all content areas in the school curriculum;

"(ii) to educate more effectively at-risk students and other students with special needs;

"(iii) to improve education in rural communities and other remote areas;

"(iv) to improve the assessment of student learning and achievement;

"(v) to deliver preservice and inservice training for teachers, librarians, and school administrators; and

"(vi) to deliver and improve professional development and continuing education programs;

"(C) the cost and educational effectiveness of technologies used in education;

"(D) effective models and approaches for providing the preservice and inservice training and technical assistance necessary to enable teachers, librarians, and school administrators, cultural organizations, and others to use technology effectively in education;

"(E) the identification of barriers to greater use of technologies in education and potential approaches to eradicating or mitigating such barriers;

"(F) methods and approaches which can be utilized by teachers, school administrators, and education policymakers, and educational pro-

grams in cultural institutions to evaluate the quality and most appropriate uses of software and other technologies designed for use in education; and

"(G) approaches to organizing and managing schools and classrooms to make the most effective use of technology in education; and

"(2) shall be coordinated with related research and development activities undertaken by the Office of Special Education Programs, the National Science Foundation, the Department of Defense, and other Federal agencies.

"(1) TRANSITIONAL PROVISIONS.—

"(1) TEMPORARY REORGANIZATIONS.—Upon the enactment of the Educational Research, Development and Dissemination Excellence Act, the Secretary shall reorganize the research and development functions and activities of the Office into administrative units the purposes of which shall be the same as those for each of the national research institutes established in subsection (a). Such administrative units shall be responsible for planning and providing for the establishment of such institutes and shall cease to exist on the dates upon which each of the relevant institutes is established. The provisions of subsection (c) (relating to authorities and duties) shall apply to all activities undertaken by each such administrative unit.

"(2) DATES FOR ESTABLISHMENT OF INSTITUTES.—The National Institute for the Education of At-Risk Students, the National Institute for Innovation in Educational Governance, Finance, Policy-Making, and Management, the National Institute for Early Childhood Development and Education, the National Institute on Student Achievement, and the National Institute on Postsecondary Education, Libraries, and Lifelong Learning shall each be established effective October 1, 1994."

#### TITLE IV—NATIONAL EDUCATION DISSEMINATION SYSTEM

##### SEC. 401. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 301 of this Act, is amended by inserting after section 405B the following new section:

"NATIONAL EDUCATION DISSEMINATION SYSTEM

"SEC. 405C. (a) IN GENERAL.—

"(1) FINDINGS.—The Congress finds as follows:

"(A) In order to improve the American educational system for all students, achieve the national education goals, and provide for greater educational equity, policymakers, administrators, teachers, and parents must have ready access to the best information and methods available as a result of educational research and development.

"(B) The Office of Educational Research and Improvement should have as one of its primary purposes the dissemination of such information and methods in order to assist the national education reform effort.

"(C) All current resources within the Office, the Department, and other agencies that can help accomplish this goal should be coordinated by the Assistant Secretary so as to form a systematic process to accomplish these objectives.

"(D) Education research has the capacity to improve teaching and learning in our Nation's schools, however, teachers need training in the developmental skills necessary to translate research into practice and to allow them to become a cadre of knowledgeable practitioners and leaders in educational improvement.

"(E) Adequate linkages between research and development providers and practitioners are essential to ensuring that research on effective practice is useful, disseminated and supported with technical assistance to all educators, and that all educators are partners in the research and development process.

"(2) PURPOSE.—The purpose of this section is to—

"(A) create a national system of dissemination, development, and educational improvement in order to create, adapt, identify, validate, and disseminate to educators, parents, and policymakers those educational programs that have potential or have been shown to improve educational opportunities for all students; and

"(B) empower and increase the capacity of teachers to participate in the research and development process.

"(3) DEFINITION OF EDUCATIONAL PROGRAM.—For the purposes of this section, the term 'educational program' includes educational policies, research findings, practices, and products.

"(b) ESTABLISHMENT OF OFFICE.—

"(1) IN GENERAL.—There is established within the Office an Office of Reform Assistance and Dissemination (in this section referred to as the 'Dissemination Office') through which the Secretary shall carry out all functions and activities described in this section.

"(2) CERTAIN DUTIES.—The Dissemination Office shall—

"(A) identify educational programs that may merit being designated as exemplary or promising educational programs;

"(B) based solely on the educational merits and promise of such programs, select those to be designated as exemplary or promising;

"(C) provide technical and financial assistance to individuals and organizations in the process of developing promising educational programs in the priority areas identified in section 405(b)(3), but who might not, without such assistance, be able to complete necessary development and assessment activities;

"(D) nationally disseminate information regarding the exemplary and promising programs to educators, parents, and policymakers through a variety of means, including existing Department activities, education associations and networks, and communication technologies;

"(E) provide training and technical assistance regarding the implementation and adoption of such exemplary and promising programs by interested entities; and

"(F) carry out a program of research on models for successful knowledge dissemination, and utilization, and strategies for reaching education policymakers, practitioners, and others interested in education.

"(3) ADDITIONAL DUTIES.—The Dissemination Office shall carry out and contain the following functions and activities:

"(A) A process for the identification of educational programs that work.

"(B) The educational resources information clearinghouses.

"(C) Dissemination through new technologies.

"(D) Smartline.

"(E) The regional educational laboratories.

"(F) Teacher Research Dissemination Network.

"(G) The Goals 2000 Community Partnerships Program.

"(H) The existing National Diffusion Network and its Developer-Demonstrator and State Facilitator projects.

"(I) Such other programs or entities the Secretary determines are consistent with the purposes for which the Dissemination Office is established.

"(c) IDENTIFICATION OF PROGRAMS.—

"(1) IN GENERAL.—The Assistant Secretary shall establish a process through which successful educational programs are actively sought out for possible dissemination through the national educational dissemination system. Such process shall, at a minimum, have the capability to—

"(A) work closely with the research institutes, centers, regional educational laboratories, the

National Diffusion Network and its Developer-Demonstrator and State Facilitator projects, learning grant institutions established under the Goals 2000 Community Partnerships Program, department-supported technical assistance providers, and other entities to identify successful educational programs at the regional, State, local, or classroom level;

"(B) review successful educational programs supported by the Department through all of its programs, including Chapter 1, Even Start, Drug-Free Schools and Communities Act of 1986, the Individuals With Disabilities Education Act, Bilingual Education, Indian Education, the Women's Educational Equity Act, and Adult and Vocational Education;

"(C) through cooperative agreements, review for possible inclusion in the system educational programs administered by the Departments of Health and Human Services (particularly the Head Start program), Labor and Defense, the National Science Foundation, the Department of the Interior (particularly the Office of Indian Education Programs), and any other appropriate Federal agency; and

"(D) provide for an active outreach effort to identify successful educational programs through cooperative arrangements with State and local education agencies, teachers and teacher organizations, curriculum associations, foundations, private schools, institutions of higher education, and other entities that could enhance the ability of the Secretary to identify programs for possible inclusion in the dissemination system.

"(2) **PRIORITY PROGRAMS.**—In carrying out this subsection, the Secretary shall place a priority on identifying programs, products, and practices related to the priority research and development needs identified in section 405(b)(3).

"(d) **DESIGNATION OF EXEMPLARY AND PROMISING PROGRAMS.**—

"(1) **IN GENERAL.**—The Assistant Secretary, in consultation with the Board, shall establish 1 or more panels of appropriately qualified experts and practitioners to—

"(A) evaluate educational programs that have been identified by the Secretary under subsection (c) or that have been submitted to the Secretary for such evaluation by some other individual or organization; and

"(B) recommend to the Secretary programs that should be designated as exemplary or promising educational programs.

"(2) **CONSIDERATIONS IN MAKING RECOMMENDATIONS.**—In determining whether an educational program should receive a recommendation under paragraph (1), a panel established under such paragraph shall consider—

"(A) whether, based on empirical data, which may include but shall not be limited to test results, the program is effective and should thus be designated as exemplary and disseminated through the national dissemination system; or

"(B) whether there is sufficient evidence to lead a panel of experts and practitioners to believe that the program shows promise for improving student achievement and should thus be designated as promising and disseminated through the national dissemination system while it continues to be evaluated.

"(3) **REQUIREMENT REGARDING APPROVAL OF PROGRAMS.**—In seeking out programs for approval under paragraph (2), the Assistant Secretary shall seek programs that may be implemented at the State, local, and classroom level.

"(4) **REQUIREMENTS REGARDING PANELS.**—

"(A) A panel shall not eliminate a program from consideration under this subsection based solely on the fact that it does not have one specific type of supporting data, such as test scores.

"(B) The Assistant Secretary may not designate a program as exemplary or promising unless a panel established under paragraph (1) has recommended that the program be so designated.

"(C) The Secretary shall establish such panels under paragraph (1) as may be necessary to ensure that each program identified or submitted for evaluation is evaluated.

"(D) Not less than  $\frac{1}{2}$  of the membership of a panel established under paragraph (1) shall consist of individuals who are not officers or employees of the United States. Members of panels under paragraph (1) who are not employees of the United States shall receive compensation for each day engaged in carrying out the duties of the panel as well as compensation for their expenses.

"(e) **DISSEMINATION OF EXEMPLARY AND PROMISING PROGRAMS.**—

"(1) **IN GENERAL.**—In order to ensure that programs identified as exemplary or promising are available for adoption by the greatest number of teachers, schools, local and State education agencies, and Bureau of Indian Affairs-funded schools, the Assistant Secretary shall utilize the capabilities of—

"(A) the education resources information clearinghouses;

"(B) Smartline;

"(C) the regional educational laboratories;

"(D) the National Diffusion Network;

"(E) entities established under the Goals 2000 Community Partnerships Program;

"(F) department-supported technical assistance providers;

"(G) the National Library of Education; and

"(H) other public and private nonprofit entities, including existing education associations and networks, that have the capability to assist educators in adopting exemplary and promising programs.

"(2) **REQUIREMENTS FOR ASSISTANT SECRETARY.**—In carrying out paragraph (1), the Assistant Secretary shall ensure that all such entities are—

"(A) kept apprised of the availability of specific programs for dissemination;

"(B) provided technical assistance, if necessary, to carry out this dissemination function; and

"(C) involved in the national education dissemination system as specified by law.

"(f) **EDUCATION RESOURCES INFORMATION CLEARINGHOUSES.**—

"(1) **IN GENERAL.**—The Assistant Secretary shall establish a system of 16 education resource information clearinghouses having, at a minimum, the functions and scope of work as the clearinghouses had on the date of the enactment of the Educational Research, Development, and Dissemination Excellence Act.

"(2) **ADDITIONAL FUNCTIONS.**—In addition to those functions already being carried out by the clearinghouses, such clearinghouses may—

"(A) periodically produce interpretive summaries, digests, and syntheses of the results and findings of education-related research and development; and

"(B) contain and make available to users information concerning those programs designated as exemplary and promising under subsection (c).

"(3) **COORDINATION OF ACTIVITIES.**—The Assistant Secretary shall assure that the functions and activities of such clearinghouses are coordinated with the activities of the research institutes, the regional educational laboratories, learning grant institutions, other clearinghouses supported by the Department, the National Diffusion Network, and other appropriate entities within the Office and the Department.

"(4) **SPECIAL RESPONSIBILITIES OF THE SECRETARY.**—To assure that the information provided through such clearinghouses is fully comprehensive, the Secretary shall—

"(A) require that all reports, studies, and other resources produced directly or by grant or contract with the Department of Education are made available to clearinghouses;

"(B) establish cooperative agreements with the Departments of Defense, Health and Human Services, Interior, and other Federal agencies to assure that all education-related reports, studies, and other resources produced directly or by grant or contract with the Federal Government are made available to such clearinghouses; and

"(C) devise an effective system for maximizing the identification, synthesis, and dissemination of information related to the needs of Indian and Alaska Native children.

"(5) **COPYRIGHT PROHIBITED.**—

"(A) No clearinghouse or other entity receiving assistance under this subsection may copyright or otherwise charge a royalty or other fee that—

"(i) is for the use or redissemination of any database, index, abstract, report, or other information produced with assistance under this subsection; and

"(ii) exceeds the incremental cost of disseminating such information.

"(B) For purposes of subparagraph (A), the incremental cost of dissemination does not include any portion of the cost of collecting, organizing, or processing the information which is disseminated.

"(g) **DISSEMINATION THROUGH NEW TECHNOLOGIES.**—

"(1) **IN GENERAL.**—The Assistant Secretary is authorized to award grants or contracts in accordance with this subsection to support the development of materials, programs, and resources which utilize new technologies and techniques to synthesize and disseminate research and development findings and other information which can be used to support educational improvement.

"(2) **SOURCES OF MATERIALS AND RESEARCH ABOUT TEACHING AND LEARNING FOR IMPROVING NATIONWIDE EDUCATION (SMARTLINE).**—

"(A) **ELECTRONIC NETWORK.**—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, shall establish and maintain an electronic network which shall, at a minimum, link—

"(i) each office of the Department of Education;

"(ii) the research institutes established by section 405B;

"(iii) the National Center for Education Statistics;

"(iv) the National Library of Education; and

"(v) entities engaged in research, development, dissemination, and technical assistance under grant, contract, or cooperative agreement with the Department of Education.

"(B) **CERTAIN REQUIREMENTS FOR NETWORK.**—The network described in subparagraph (A) shall—

"(i) to the extent feasible, build upon existing national, regional, and State electronic networks and support video, telecomputing, and interactive communications;

"(ii) at a minimum, have the capability to support electronic mail and file transfer services;

"(iii) be linked to and accessible to other users, including State and local education agencies, institutions of higher education, museums, libraries, and others through the Internet and the National Research and Education Network; and

"(iv) be provided at no cost (excluding the costs of necessary hardware) to the contractors and grantees described in clause (v) of subparagraph (A) and to educational institutions accessing such network through the Internet and the National Research and Education Network.

"(C) **INFORMATION RESOURCES.**—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, may make available through the network described in subparagraph (A)—

"(i) information about grant and contract assistance available through the department;

"(ii) an annotated directory of current research and development activities and projects being undertaken with the assistance of the Department;

"(iii) information about publications published by the Department and, to the extent feasible, the full text of such publications;

"(iv) statistics and data published by the National Center for Education Statistics;

"(v) syntheses of research and development findings;

"(vi) a directory of other education-related electronic networks and databases, including information about the means by which they may be accessed;

"(vii) a descriptive listing of materials and courses of instruction provided by telecommunications partnerships assisted under the Star Schools program;

"(viii) resources developed by the ERIC Clearinghouses;

"(ix) education-related software (including video) which is in the public domain;

"(x) a listing of instructional materials available through telecommunications to local education agencies through the Public Broadcasting Service and State educational television networks; and

"(xi) such other information and resources the Assistant Secretary considers useful and appropriate.

"(D) EVALUATIONS REGARDING OTHER FUNCTIONS OF NETWORK.—The Assistant Secretary shall also undertake projects to test and evaluate the feasibility of using the network described in subparagraph (A) for—

"(i) the submission of applications for assistance to the Department; and

"(ii) the collection of data and other statistics through the National Center for Education Statistics.

"(E) TRAINING AND TECHNICAL ASSISTANCE.—The Assistant Secretary, acting through the Office of Reform Assistance and Dissemination, shall—

"(i) provide such training and technical assistance as may be necessary to enable the contractors and grantees described in clause (v) of subparagraph (A) to participate in the electronic network described in such subparagraph; and

"(ii) work with the National Science Foundation to provide, upon request, assistance to State and local education agencies, the Department of the Interior's Office of Indian Education Programs, tribal departments of education, State library agencies, libraries, museums, and other educational institutions in obtaining access to the Internet and the National Research and Education Network.

"(h) REGIONAL EDUCATIONAL LABORATORIES.—

"(1) REGIONAL EDUCATIONAL LABORATORIES.—The Assistant Secretary shall enter into contracts with public or private nonprofit entities to establish a networked system of 10 regional educational laboratories which serve the needs of each region of the Nation in accordance with the provisions of this subsection. For the purposes of this subsection, the term 'region' means 1 of the 10 geographic regions set forth in section 2(a) of part 707 of title 34, Code of Federal Regulations (34 CFR 707.2(a)), as published in number 157 of volume 53 of the Federal Register on August 15, 1988.

"(2) DUTIES.—Each regional educational laboratory receiving assistance under this subsection shall, with such assistance, assist State education agencies, intermediate education agencies, local school districts, and schools funded by the Bureau of Indian Affairs in implementing broad-based, systemic school im-

provement strategies through the use of applied research and development activities. The regional educational laboratories shall support such system-wide reform efforts through—

"(A) the development of a plan for identifying needs and for serving the needs of the region by conducting a continuing survey of the educational needs, strengths and weaknesses within the region, including a process of open hearings to solicit the views of schools, teachers, administrators, parents, local educational agencies, librarians, and State educational agencies within the region;

"(B) the dissemination of information about programs designated as exemplary and promising under subsection (c) and other appropriate programs and practices;

"(C) the provision of support and technical assistance in—

"(i) replicating and adapting such exemplary and promising practices;

"(ii) the development of high-quality, challenging curriculum frameworks;

"(iii) the development of valid, reliable, fair systems of assessment which are based upon State, local, or Bureau of Indian Affairs-funded school curriculum frameworks and reflect recent advances in the field of educational assessment;

"(iv) the improvement of professional development strategies to assure that all teachers are prepared to teach a challenging curriculum;

"(v) expanding and improving the use of technology in education to improve teaching and learning;

"(vi) the development of alternatives for restructuring school finance systems to promote greater equity in the distribution of resources; and

"(vii) the development of alternative administrative structures which are more conducive to planning, implementing, and sustaining school reform and improved educational outcomes;

"(D) the development of educational programs and practices that address State, regional, or Indian tribal needs in relating to their school reform efforts;

"(E) facilitating communication between educational experts, school officials, and teachers, parents, and librarians, to enable such individuals to assist schools to develop a plan to meet the national education goals;

"(F) bringing teams of experts together to develop and implement school improvement plans and strategies;

"(G) the provision of training in—

"(i) the field of education research and related areas;

"(ii) the use of new educational methods; and

"(iii) the use of information-finding methods, practices, techniques, and products developed in connection with such training for which the regional educational laboratory shall be authorized to support internships and fellowships and to provide stipends; and

"(H) the provision of support and technical assistance (upon their request) to State facilitators funded through the National Diffusion Network.

"(3) NETWORKING.—In order to improve the efficiency and effectiveness of the regional laboratories, the governing boards of the ten regional laboratories shall establish and maintain a network to—

"(A) share information about the activities each is carrying out;

"(B) plan joint activities that would meet the needs of multiple regions;

"(C) create a strategic plan for the development of activities undertaken by the laboratories to reduce redundancy and increase collaboration and resource-sharing in such activities; and

"(D) otherwise devise means by which the work of the individual laboratories could serve national, as well as regional, needs.

"(4) ADDITIONAL DUTIES.—Each regional educational laboratory receiving assistance under this subsection shall carry out the following activities:

"(A) Collaborate with the Institutes established under section 405B in order to—

"(i) maximize the use of research conducted through the Institutes in the work of such laboratory;

"(ii) keep the Institutes apprised of the work of the regional educational laboratories in the field; and

"(iii) inform the Institutes about additional research needs identified in the field.

"(B) Consult with the State educational agencies and library agencies in the region in developing the plan for serving the region.

"(C) Develop strategies to utilize schools as critical components in reforming education and revitalizing rural communities in the United States.

"(D) Report and disseminate information on overcoming the obstacles faced by rural educators and rural schools.

"(E) Identify successful educational programs that have either been developed by such laboratory in carrying out its functions or that have been developed or used by others within the region served by the laboratory and make such information available to the Secretary and the network of regional laboratories so that they may be considered for inclusion in the national education development and dissemination system.

"(5) CERTAIN REQUIREMENTS.—In carrying out its responsibilities, each regional educational laboratory shall—

"(A) establish a governing board that—

"(i) is the sole entity that—

"(I) guides and directs the laboratory in carrying out the provisions of this subsection and satisfying the terms and conditions of the contract award; and

"(II) determines the regional agenda of the laboratory, consistent with the priority research and development needs identified in section 405(b)(3); and

"(ii) reflects a balanced representation of the States in the region, as well as the interests and concerns of regional constituencies;

"(B) comply with the standards established by the Assistant Secretary and the Board under section 405A;

"(C) coordinate its activities, collaborate, and regularly exchange information with the institutes established under section 405C, the National Diffusion Network, and its Developer Demonstrator and State Facilitator projects, learning grant institutions and district education agents assisted under subsection (i), the ERIC Clearinghouses, and other entities engages in technical assistance and dissemination activities which are supported by other Offices of the Department of Education; and

"(D) allocate its resources to and within each State in a manner which reflects the need for assistance, taking into account such factors as the proportion of economically disadvantaged students, the increased cost burden of service delivery in areas of sparse populations, and any special initiatives being undertaken by State, intermediate, local education agencies, or Bureau of Indian Affairs-funded schools which may require special assistance from the laboratory.

"(6) EVALUATIONS.—The Assistant Secretary shall provide for periodic, independent evaluations of each of the laboratories in carrying out the duties described in paragraph (1) in accordance with the standards developed by the Assistant Secretary and the Board and transmit the results of such evaluations to the relevant committees of the Congress, the Board, and the appropriate regional educational laboratory board.

"(7) INVITATION REGARDING COMPETITION FOR AWARDS OF ASSISTANCE.—Prior to awarding a grant or entering into a contract under this section, the Secretary shall invite applicants, including the existing regional educational laboratories, to compete for such award through notice in the Federal Register and in the publication of the Department of Commerce known as the Commerce Business Daily.

"(8) APPLICATION FOR ASSISTANCE.—Each application for assistance under this subsection shall—

"(A) cover not less than a 5-year period;

"(B) describe how the applicant would carry out the activities required by this subsection; and

"(C) contain such additional information as the Secretary may reasonably require.

"(9) RULE OF CONSTRUCTION.—No regional educational laboratory receiving assistance under this subsection shall, by reason of the receipt of that assistance, be ineligible to receive any other assistance from the Department as authorized by law.

"(10) ADVANCE PAYMENT SYSTEM.—Each regional educational laboratory shall participate in the advance payment system at the Department of Education.

"(i) GOALS 2000 COMMUNITY PARTNERSHIPS PROGRAM.—

"(1) PURPOSE.—The purpose of the Goals 2000 Community Partnerships program is to improve the quality of learning and teaching in the Nation's most impoverished urban and rural communities by supporting sustained collaborations between universities, schools, businesses, and communities which apply and utilize the results of educational research and development.

"(2) GRANTS FOR GOALS 2000 COMMUNITY PARTNERSHIPS.—The Assistant Secretary is authorized to make grants to eligible entities to support the establishment of Learning Grant Institutions and District Education Agents and the activities authorized under this subsection within eligible communities.

"(3) DEFINITION OF ELIGIBLE ENTITY AND ELIGIBLE COMMUNITY.—For the purposes of this subsection:

"(A) The term 'eligible entity' includes any institution of higher education, regional education laboratory, National Diffusion Network project, national research and development center, public or private nonprofit corporation, or any consortium thereof that—

"(i) has demonstrated experience, expertise and commitment in serving the educational needs of at-risk students; and

"(ii) is, by virtue of its previous activities, knowledgeable about the unique needs and characteristics of the community to be served.

"(B) The term 'eligible community' means a unit of general purpose local government (such as a city, township, or village), a nonmetropolitan county, tribal village, or a geographically distinct area (such as a school district, school attendance area, ward, precinct or neighborhood), or any group of such entities that—

"(i) has a population of not less than 200,000 and not more than 300,000; and

"(ii) in which not less than one-half of the school-age children have family incomes which are below the poverty line, as determined by the 1990 United States Census, participation in the National School Lunch program, or other current, reliable data concerning family income.

"(4) GOALS 2000 COMMUNITY PARTNERSHIPS.—Each learning grant institution receiving assistance under this subsection shall establish a Goals 2000 community partnership to carry out the activities authorized under this subsection. Such partnership—

"(A) shall include the participation of one or more local educational agencies, institutions of higher education, community-based organiza-

tions, parents, teachers, and the business community;

"(B) may include the participation of human, social service and health care agencies, Head Start and child care agencies, libraries, museums, employment and training agencies, and the State educational agency or tribal department of education; and

"(C) shall be broadly representative of all segments of the community in which the activities will be carried out.

"(5) COMPREHENSIVE GOALS 2000 PLAN.—Each Goals 2000 Community Partnership shall develop a comprehensive plan for assuring educational success and high achievement for all students in the community. Each such plan shall—

"(A) adopt the 6 national educational goals;

"(B) identify additional needs and goals for educational improvement within the community;

"(C) focus on helping all students reach challenging content and student performance standards;

"(D) be consistent with the State and local plan for system-wide education improvement developed pursuant to the Goals 2000: Educate America Act;

"(E) establish a comprehensive community-wide plan for achieving such goals; and

"(F) develop a means for measuring the progress of the community in meeting such goals for improvement.

"(6) IMPLEMENTATION OF COMMUNITY-WIDE PLAN.—Each Goals 2000 Community Partnership shall, utilizing the District Education Agent, provide assistance in implementing the community-wide plan for educational improvement by—

"(A) supporting innovation, restructuring, and continuous improvement in educational practice by—

"(i) disseminating information throughout the community about exemplary and promising educational programs, practices, products, and policies;

"(ii) evaluating the effectiveness of federally funded educational programs within the community and identifying changes in such programs which are likely to improve student achievement;

"(iii) identifying, selecting and replicating exemplary and promising educational programs, practices, products, and policies in both in and out-of-school settings;

"(iv) applying educational research to solve specific problems in the classroom, home and community which impede learning and student achievement; and

"(v) supporting research and development by teachers, school administrators, and other practitioners which promise to improve teaching and learning and the organization of schools;

"(B) improving the capacity of educators, school administrators, child care providers and other practitioners to prepare all students to reach challenging standards and to attain the goals set out in the comprehensive community-wide plan through such means as—

"(i) the training of prospective and novice teachers (including preschool and early childhood educators) in a school setting under the guidance of master teachers and teacher educators;

"(ii) training and other activities to promote the continued learning and professional development of experienced teachers, related services personnel, school administrators to assure that they develop the subject matter and pedagogical expertise needed to prepare all students to reach challenging standards;

"(iii) training and other activities to increase the ability of prospective, novice, and experienced teachers to teach effectively at-risk students, students with disabilities, students with limited English language proficiency, and students from diverse cultural backgrounds; and

"(iv) programs to enhance teaching and classroom management skills, including school-based management skills, of novice, prospective, and experienced teachers;

"(C) promoting the development of an integrated system of service delivery to children from birth through age 18 and their families by facilitating linkages and cooperation among—

"(i) local education agencies;

"(ii) health and social services agencies and providers;

"(iii) juvenile justice and criminal justice agencies;

"(iv) providers of employment training; and

"(v) child care, Head Start, and other early childhood agencies; and

"(D) mobilizing the resources of the community in support of student learning and high achievement by facilitating effective partnerships and collaboration among—

"(i) local education agencies;

"(ii) postsecondary educational institutions;

"(iii) public libraries;

"(iv) parents;

"(v) community-based organizations, neighborhood associations, and other civic and community organizations;

"(vi) child care, Head Start, and other early childhood agencies;

"(vii) churches, synagogues and other religious institutions;

"(viii) labor organizations; and

"(ix) business and industry.

"(7) ADDITIONAL REQUIREMENTS.—In carrying out its responsibilities under this subsection, each partnership receiving assistance under this subsection shall—

"(A) appoint a District Education Agent who shall be responsible, on a full-time basis, for directing the implementation of the community-wide plan. Such individual shall have significant experience and expertise in the field of education in—

"(i) addressing the needs of at-risk students; and

"(ii) conducting educational research and promoting the application of the results of such research to educational practice;

"(B) provide for such other professional and support personnel as may be necessary to implement the community-wide plan under the direction of the District Education Agent; and

"(C) coordinate its activities and work cooperatively with the National Diffusion Network State facilitators, regional laboratories, and other components of the Office to utilize most effectively Federal research, development, and dissemination resources in implementing the community-wide plan.

"(8) APPLICATION FOR GRANTS.—Any eligible entity desiring a grant under this subsection shall submit an application to the Assistant Secretary at such time, in such manner, and accompanied by such information as the Assistant Secretary may reasonably require. Each such application shall—

"(A) include a comprehensive plan for meeting the objectives and requirements of this subsection; and

"(B) provide evidence of support for the application from local elected officials, the State education agency, the local education agency, parents, local community leaders, businesses, and other appropriate organizations.

"(9) PRIORITY IN MAKING GRANTS; DURATION AND AMOUNT OF GRANT.—Each grant made under this subsection shall be—

"(A) awarded on a competitive basis, with first priority given to those applications from communities with the greatest percentage of school-age children in families with poverty-level incomes;

"(B) made for a 5-year period, with funding for the second and each successive year in this

period conditioned upon a determination by the Assistant Secretary that the grant recipient has complied with the conditions of the grants during the previous year; and

"(C) an amount equal to not less than \$1,000,000 per year.

"(10) LIMITATION OF ONE GRANT PER CONGRESSIONAL DISTRICT.—Not more than one grant shall be awarded within a single congressional district.

"(11) TECHNICAL ASSISTANCE; EVALUATIONS.—In administering the program authorized under this subsection, the Assistant Secretary shall, either directly or through grant or contract with an eligible nonprofit agency—

"(A) upon request, provide technical assistance to eligible entities to assist in the development of a comprehensive plan to meet the requirements of this subsection and in the preparation of applications for assistance;

"(B) regularly provide technical assistance to learning grant institutions receiving assistance under this subsection to assist with the development and implementation of the community-wide plan for educational improvement;

"(C) provide for an independent evaluation of the activities assisted under this subsection, including—

"(i) the impact of the Goals 2000 Community Partnerships program on children and families within each community, including (but not limited to) effects on the extent of educational achievement, rates of school retention and completion, and enrollment in program postsecondary educational programs; and

"(ii) whether an intensified effort to apply and utilize educational research within a limited geographic area significantly improves student learning and achievement; and

"(D) plan for the expansion of the Goals 2000 Community Partnerships program throughout the remainder of the Nation beginning in fiscal year 1998.

"(j) TEACHER RESEARCH DISSEMINATION NETWORK.—

"(1) FINDINGS.—The Congress finds that—

"(A) education research, including research funded by the Office, is not having the impact on the Nation's schools that such research should;

"(B) relevant education research and resulting solutions are not being adequately disseminated to the teachers that need such research and solutions;

"(C) there are not enough linkages between the research and development centers assisted under this section, the regional educational laboratories described in subsection (k), the National Diffusion Network State facilitators, the Education Resources Information Clearinghouses, and the public schools, to ensure that research on effective practice is disseminated and technical assistance provided to all teachers;

"(D) the average teacher has almost no time to plan or engage in a professional dialogue with such teacher's peers about strategies for improving learning;

"(E) teachers do not have direct access to information systems or networks;

"(F) teachers have little control over what in-service education teachers will be offered; and

"(G) individual teachers are not encouraged to move beyond the walls of their classrooms to identify and use outside resources.

"(2) PROGRAM AUTHORIZED.—

"(A) The Assistant Secretary shall enter into contracts with regional educational laboratories, in partnership with 1 or more institutions of higher education in each State of its region, the National Diffusion Network, and other entities with demonstrated experience, expertise, and commitment in the areas of teacher research or teacher professional development, such as the

national research and development centers, professional teacher organizations, and other qualified organizations and associations, in the region to carry out activities described in paragraph (3).

"(B) The Assistant Secretary shall enter into contracts under this subsection in an equitable manner and shall provide assistance on the basis of the number of schools, teachers, and students in each regional educational laboratory region with attention given to populations with special needs and the increased cost burden of service delivery in regions of sparse population.

"(C) Contracts under this subsection shall be awarded for a period of not less than 3 years.

"(3) PROGRAM ACTIVITIES.—

"(A) Each regional partnership described in paragraph (2)(A) entering into a contract under this subsection shall carry out programs of providing training to teachers relevant to the needs and problems of the schools and school districts where teachers, who participate in the programs, serve. The purpose of such programs shall be to—

"(i) educate teachers on how to acquire information about education research findings and best practices;

"(ii) provide teachers with current education research and development theory, skills, and practice as shall enable them to modify, design, develop, and adapt such findings and practices to effect local district and classroom outcomes that improve education;

"(iii) enable teachers to become actively involved in the applied research and development process;

"(iv) provide teachers the ability to become leaders in the utilization of applied research and to become active participants in the Federal research and development partnership;

"(v) enhance the ability of teachers to evaluate and choose effective education programs and curricula; and

"(vi) facilitate collaboration between the teacher change agent and the National Diffusion Network State facilitator.

"(B) Teachers that participate in training assisted under this subsection shall be known as "teacher change agents".

"(C) The program described in subparagraph (A) shall provide teacher change agents with training during the summer and at such other times as agreed to by the district, which shall—

"(i) give teacher change agents knowledge and guidance in using the existing educational improvement services and resources funded by the United States Department of Education and other major research organizations, including the products and work of the regional educational laboratories, professional teacher organizations, the National Diffusion Network, institutions of higher education, the Educational Research Information Centers, National Research Centers, National Research Institutes, State Departments of Education, local education agencies, and other nonprofit organizations participating in the improvement of education;

"(ii) provide teacher change agents with in-depth knowledge about a number of products, programs, and processes developed by entities described in clause (i) that the teacher change agents judge most relevant to the needs of the district or districts they will serve;

"(iii) inform teacher change agents about government programs, including, but not limited, to programs in government agencies other than the Department of Education, which offer research opportunities, fellowships, and funding; and

"(iv) provide teacher change agents with instruction in technical assistance skills in order to increase their capacity to aid district and school site teacher teams responsible for leading school improvement activities at the district and school site level.

"(D) The school year activities described in subparagraph (A) shall provide teacher change agents participating in such program during the school year with—

"(i) opportunities to meet with other teacher change agents to exchange experiences;

"(ii) additional training or assistance as needed or requested;

"(iii) updates in education research, application, and findings; and

"(iv) opportunities to provide feedback into the educational research infrastructure regarding needed research and ways to improve the development and dissemination of information.

"(E) The regional partnership program may support educational improvement and reform activities such as—

"(i) training in applied research methodologies;

"(ii) assistance in conducting applied research;

"(iii) teacher research sabbaticals;

"(iv) video conferencing for additional training in order to reduce travel time and expenses;

"(v) training in developing and implementing effective teacher in-service training;

"(vi) training in change management, including strategies for restructuring schools, building local capacity, and generally strengthening the culture of schools so that schools are conducive and supportive of change, including training in interpersonal and leadership skills; and

"(vii) training in the appropriate use of technology to assist classroom teachers.

"(F) TEACHER RESPONSIBILITIES.—Teacher change agents shall, during the school year—

"(i) meet with other teachers and district or school site teacher teams to provide other teachers with knowledge about how to acquire information regarding education research findings and best practices, including what resources are available from the Department of Education and how to obtain products and technical services from the Department;

"(ii) meet with the National Diffusion Network State Facilitator to coordinate and not duplicate efforts in the dissemination of exemplary educational programs;

"(iii) help interested schools identify resources needed to address the school's needs and act as liaison between the school and the appropriate resource entities, such as regional educational laboratories, centers, national institutes, institutions of higher education, professional teacher organizations, scholars, consultants, and other schools and school districts that may be of assistance;

"(iv) teach other teachers how to use the products, programs, and processes in which the teacher was trained pursuant to paragraph (2)(C)(II);

"(v) work with other teachers and teacher teams to adapt identified exemplary practices, programs, and research results to implement school site or classroom improvements as desired, and provide follow-up activities throughout a 2-year period to ensure the successful adaptation and implementation of such programs in local schools; and

"(vi) inform teachers about how they can obtain Federal research funding, fellowships, and sabbaticals.

"(G) APPLICATION.—

"(i) IN GENERAL.—Each regional partnership desiring a contract under this subsection shall submit to the Secretary an application at such time, in such manner, and accompanied by such information as the Assistant Secretary may reasonably require.

"(ii) CONTENTS.—Each application described in clause (i) shall—

"(I) contain a plan acceptable to affected States and local education agencies for conducting the program to be assisted under this section;

"(II) contain assurances that the partnership requirements are fulfilled;

"(III) contain assurances that both district and school site teacher teams will be established to work in conjunction with the teacher change agent;

"(IV) contain a plan for the selection of district and school site teacher team participants and others as deemed appropriate by the teacher change agent and the regional partnership;

"(V) contain assurances that the regional partnership, in conjunction with the participating school districts, shall provide each teacher change agent with a stipend for the entire calendar year commensurate with such teacher's salary and travel expenses, to permit a teacher to participate in such program without incurring loss of income;

"(VI) contain assurances that each teacher change agent participating in the program shall receive an award of not more than \$10,000 to be used by such teacher during the school year of such teacher's participation to purchase materials, support, and coordinate with other teachers or site teacher teams in the school district;

"(VII) contain assurances that such regional partnerships shall provide not more than \$5,000 to each school district or group of school districts having an individual from such district or districts participating in the program assisted under this section for each of the 2 years following such participation to enable such school district or districts to continue efforts to improve dissemination of effective practices and programs within the district or districts;

"(VIII) contain assurances that representatives of State educational agencies, intermediate educational agencies, teacher centers, teacher educators at institutions of higher education, and school district in-service or curriculum specialists will be eligible to participate in the program assisted under this section if such individuals pay the cost of their participation; and

"(IX) contain an assurance that such regional partnership shall permit a teacher to participate in the program only after such partnership determines that the teacher will be afforded a full opportunity by the district to perform such teacher's responsibilities described in paragraph (3)(F).

#### "(4) TEACHER SELECTION AND ELIGIBILITY.—

"(A) NOMINATION.—Teacher participants in the program assisted under this subsection shall be nominated by their peers at the school district level.

"(B) ELIGIBILITY.—Each school district or group of school districts desiring to have teachers from such district or districts participate in the program assisted under this subsection shall provide the regional partnership with the names of such teachers, and an indication of the type of issues or problems on which each such teacher would like to receive information and training.

#### "(C) SELECTION.—

"(i) Teacher participants shall be selected by the regional partnerships in consultation with the State educational agencies in the region. Teacher participants shall be selected in such a manner so as to ensure an equitable representation of such teachers by State and school enrollment within the region.

"(ii) The number of teachers selected each year shall be determined in accordance with the amount of funding received by the regional partnership.

#### "(5) INDEPENDENT EVALUATION.—

"(A) IN GENERAL.—The Assistant Secretary shall provide for an independent evaluation of the program assisted under this subsection to determine the net impact and cost effectiveness of the program and the reactions of teachers and school districts participating in such program, including any career plan changes of participating teachers.

"(B) DATE.—The evaluation described in subparagraph (A) shall be submitted to the Congress within 6 months after the completion of the third year of the program.

"(C) FUNDING.—The Assistant Secretary may reserve not more than \$250,000 of the amount appropriated under section 405(i)(2)(E) to carry out the evaluation described in this paragraph."

### TITLE V—NATIONAL LIBRARY OF EDUCATION

#### SEC. 501. ESTABLISHMENT WITHIN OFFICE OF EDUCATIONAL RESEARCH AND IMPROVEMENT.

Part A of the General Education Provisions Act, as amended by section 401 of this Act, is amended by inserting after section 405C the following new section:

##### "NATIONAL LIBRARY OF EDUCATION

"SEC. 405D. (a) IN GENERAL.—There is established within the Office a National Library of Education (hereafter in this section referred to as the 'Library'), which shall be maintained as a governmental activity.

"(b) FUNCTIONS OF LIBRARY.—The functions of the Library are—

"(1) to provide a central location within the Federal Government for information about education;

"(2) to provide comprehensive reference services on matters related to education to employees of the Department of Education and its contractors and grantees, other Federal employees, and members of the public; and

"(3) to promote greater cooperation and resource sharing among providers and repositories of education information in the United States.

"(c) ONE-STOP INFORMATION AND REFERRAL SERVICE.—The Library shall establish and maintain a central information and referral service to respond to telephonic, mail and electronic and other inquiries from the public concerning—

"(1) programs and activities of the Department of Education;

"(2) publications produced by the Department of Education and, to the extent feasible, education related publications produced by the Departments of Labor, Health and Human Services, and other Federal agencies;

"(3) services and resources available to the public through the Office, including the ERIC Clearinghouses, the research institutes, and the national education dissemination system;

"(4) statistics and other information produced by the National Center for Education Statistics; and

"(5) referrals to additional sources of information and expertise about educational issues which may be available through educational associations and foundations, the private sector, colleges and universities, libraries and bibliographic databases.

The Library shall maintain and actively publicize a toll-free telephone number through which public inquiries to the Library may be made.

"(d) COMPREHENSIVE REFERENCE SERVICES.—The Library shall, to the extent feasible, provide for the delivery of a full range of reference services on subjects related to education to employees of the Department and its contractors and grantees, other Federal employees, and members of the general public. Such services may include—

"(1) specialized subject searches;

"(2) search and retrieval of electronic databases;

"(3) document delivery by mail and facsimile transmission;

"(4) research counseling, bibliographic instruction, and other training services;

"(5) interlibrary loan services; and

"(6) selective dissemination of information services.

The Library shall first give priority in the provision of reference services to requests made by employees of the Department.

"(e) COOPERATION AND RESOURCE SHARING.—The Library shall promote greater cooperation and resource sharing among libraries and archives with significant collections in the area of education through such means as—

"(1) the establishment of information and resource sharing networks among such entities;

"(2) the development of a national union list of education journals held by education libraries throughout the United States;

"(3) the development of directories and indexes to textbook and other specialized collections held by education libraries throughout the United States; and

"(4) cooperative efforts to preserve, maintain and promote access to items of special historical value or interest.

"(f) ADMINISTRATION.—The Library shall be administered by an Executive Director who shall—

"(1) be appointed by the Assistant Secretary from among persons with significant training or experience in library and information science;

"(2) serve for a renewable term of 5 years; and

"(3) be paid at not less than the minimum rate of basic pay payable for GS-15 of the General Schedule.

#### "(g) TASK FORCE.—

"(1) IN GENERAL.—The Assistant Secretary shall appoint a task force of librarians, scholars, teachers, parents, and school leaders (hereafter in this paragraph referred to as the 'Task Force') to provide advice on the establishment of the Library.

"(2) PREPARATION OF PLAN.—The Task Force shall prepare a workable plan to establish the Library and to implement the requirements of this section.

"(3) CERTAIN AUTHORITIES.—The Task Force may identify other activities and functions for the Library to carry out, except that such functions shall not be carried out until the Library is established and has implemented the requirements of this section.

"(4) REPORT.—The Task Force shall prepare and submit to the Assistant Secretary not later than 6 months after the first meeting of the Task Force a report on the activities of the Library.

"(h) TRANSFER OF FUNCTIONS.—There are hereby transferred to the Library all functions of—

"(1) the Department of Education Research Library;

"(2) the Department of Education Reference Section; and

"(3) the Department of Education Information Branch.

"(i) COLLECTION DEVELOPMENT POLICY.—Not later than 180 days after the enactment of the Educational Research, Development, and Dissemination Excellence Act, the Assistant Secretary shall promulgate a comprehensive collection development policy to govern the Library's operations, acquisitions, and services to users. Such collection development policy shall—

"(1) be consistent with the functions of the Library set out in subsection (b);

"(2) emphasize the acquisition and maintenance of a comprehensive collection of reference materials; and

"(3) avoid unnecessary duplication by putting a priority on meeting the information needs of the Library's users through cooperation and resource-sharing with other entities with significant collections in the field of education.

"(j) ARREARAGE AND PRESERVATION.—On the basis of the collection development policy promulgated under subsection (h), the Executive Director shall develop a multiyear plan which shall set forth goals and priorities for actions needed to—

"(1) eliminate within 3 years the arrearage of uncataloged books and other materials in the Library's collections; and

"(2) respond effectively and systematically to the preservation needs of the Library's collections, relying, whenever possible, upon cooperative efforts with other institutions to preserve and maintain the usability of books and materials in the Library's collections."

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). Pursuant to the rule, the gentleman from New York [Mr. OWENS] will be recognized for 20 minutes, and the gentleman from North Carolina [Mr. BALLENGER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

#### GENERAL LEAVE

Mr. OWENS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include therein extraneous matter, on H.R. 856, the bill now being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. OWENS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 856, the Educational Research, Development, and Dissemination Excellence Act. This legislation reauthorizes and restructures the Office of Educational Research and Improvement [OERI], to establish a worldclass research and development system to guide and drive the national effort to improve education and achieve the national goals.

This legislation has been crafted through a uniquely open and participatory process. We have worked hard to put together a true bipartisan, consensus bill. The Subcommittee on Select Education and Civil Rights has held 18 hearings and heard from 112 witnesses about the kinds of changes which must be made in the structure and authorities of OERI. We have carefully considered and, in most cases, adopted the recommendations of two complementary studies of OERI completed by the National Academy of Sciences and the National Academy of Education. We have held more than 45 meetings with the Republican staff of the Education and Labor Committee drafting, discussing, and redrafting legislative language; many useful, and important provisions of this bill have been contributed by Mr. GOODLING and Mr. BALLENGER and their staffs. We met with the Department of Education on several occasions for line-by-line discussions of the legislation and have included 67 changes they recommended. And we gave an opportunity to present written and oral comments about the bill to any organization and individual who wanted to be heard. The end product of this lengthy, exhaustive process is a very strong, consensus bill which sets OERI on a bold, new course.

If we are to achieve the ambitious national educational goals, OERI must

be moved from the periphery to the center of educational reform and innovation in America. It must become the locomotive which pulls and guides the national effort to improve education with sound, research-based leadership for change.

In every other realm of public policy, we recognize that a substantial investment in research and development is essential to provide us with the knowledge we need to guide and support our actions. In agriculture, in aeronautics, in medicine, in engineering, and in other sciences, a robust system of research and development shapes and drives decisionmaking. Research and development is recognized as an indispensable beacon to point the way.

This has not been the case with research and development in education. The Federal educational research and development system is held in low repute; in general, the knowledge it produces is not considered to be terribly useful to efforts to improve the quality of education. There has been no coherent or consistent long-term agenda; research priorities at OERI have rapidly fluctuated, shifting with changes in key personnel and administrations, and have been dominated by short-term and frequently partisan considerations. Research priorities have not been responsive to many of the needs and concerns of teachers, school administrators, and other practitioners. Critical areas of research, including the education of at-risk students and early childhood development, have not received adequate attention. Efforts to translate the knowledge gained from educational research into real improvements in educational practice have been fragmented, sporadic, and ineffective. And largely as a result of the system's overall lack of credibility, educational research and development has been dangerously underfunded.

H.R. 856 seeks to address these and other severe problems which now impair and afflict the federal system of educational research and development.

First and foremost, the bill creates a stable, nonpartisan system of governance modeled upon the National Institutes of Health and the National Science Foundation to guide OERI's activities. An 18-member National Educational Research Policy and Priorities Board consisting of both educational researchers and representatives of teachers, parents, school administrators, and other stakeholders in the Nation's educational system is established to oversee and guide OERI. The Board's key function is to work with the Assistant Secretary to develop a comprehensive research priorities plan to end the incoherent flavor of the month approach to research which has limited OERI's effectiveness for so long. This would be a long-term agenda for OERI's research and development efforts, reflecting a consensus of both

educators and researchers, which would set out priorities and objectives for OERI, including areas which merit further inquiry and the most effective means of addressing them. This research priorities plan would provide guidance to the Department in its administration of OERI and the Congress in its oversight of these activities.

H.R. 856 also realigns OERI's activities according to an institute structure to provide an enduring focus for its efforts. Currently, OERI is organized by how it conducts research, with different units managing the research centers program, field-initiated research, and so forth, and not by what is being studied. This has contributed to the overall lack of coherence and stability at OERI. H.R. 856 would restructure OERI's research and development activities according to an institute framework, with institutes focused in the following areas: The education of at-risk students; educational governance, finance, and management; early childhood learning, communities, and families; student achievement; and postsecondary education, libraries, and lifelong learning. These institutes would conduct research through the same means that OERI now employs, including through centers and field-initiated research.

To assure that the results of educational research are fully translated into real improvements in practice, H.R. 856 creates an Office of Reform Assistance and Dissemination within OERI which would be responsible for managing and directing multiple efforts to synthesize, disseminate and promote the use of knowledge gained through research. These efforts include the ERIC Clearinghouses and the regional educational laboratories.

H.R. 856 also establishes the Goals 2000 Community Partnerships to support sustained collaborations among institutions of higher education, community-based organizations, local education agencies, and others to use research and development to improve education in low-income communities. In the most impoverished communities in America, there is an urgent need for a permanent, independent resource to support and guide efforts to improve education. This district education agent program is inspired and derived from the county agricultural extension agent, a program which proved enormously successful in the first part of this century in transforming American agriculture, community by community, to a position of world dominance. Following the agriculture extension program model, a district education agent would be based in a learning grant institution and would work with the local community to develop and implement a comprehensive plan to improve education from the pre-school to postdoctoral level. The agent will also help schools and community members evaluate the success of Federal

educational programs within the community and assist in improving their implementation. Other activities which may be supported by the partnerships include pre-service and in-service professional development for educators within the community, facilitating the coordination of social, health, and other services to children, and school- and community-based research by teachers and others designed to solve specific problems within the community.

Through these and other provisions, H.R. 856 would restructure and reinvigorate OERI so that it can begin to provide the Nation with the research-based knowledge it needs to meet the national educational goals. Just as the National Institutes of Health guides the national effort to improve the practice of medicine and the health of our people, just as the National Science Foundation guides the national effort to improve the practice of science of engineering and to advance our knowledge in those disciplines, OERI would be invested with the means and authority to lead the national effort to improve the practice of education and to enhance the quality of educational opportunities available to our citizens. OERI would be placed at the center of an overwhelming campaign to improve education in America.

I am pleased and proud that H.R. 856 enjoys support from the American Educational Research Association, the National Education Association, the National PTA, the Council for Educational Development and Research, the National Indian Education Association, and many others. Even so, I understand that there remain a few naysayers who have expressed misgivings about the policymaking authority of the Board and have worried that the institute structure set out in the bill may be too ambitious.

A review of the history of Federal support for research and development puts these complaints in the proper perspective. Similar concerns and objections were raised during the consideration of the legislation which established the National Science Foundation and the National Institutes of Health.

It took the Congress and President Harry Truman 3 years to agree on legislation establishing the National Science Foundation because the White House objected to the policymaking power the Congress wanted to invest in the National Science Board. In fact, the President vetoed the first NSF legislation over this very issue. Ultimately, however, reason prevailed and the President agreed to a National Science Board with considerable policymaking authority. No one today disputes the wisdom of that decision. The governance structure of the NSF is universally recognized as a success.

It took the Congress and the President 5 years to agree on legislation es-

tablishing the National Institutes of Health because of White House concerns about the cost involved. Despite overwhelming support within the scientific community and Congress for the creation of NIH, President Calvin Coolidge and his Bureau of the Budget were steadfastly opposed, maintaining that it was an unjustifiable government expense. Some career health officials within the Federal Government opposed the legislation as well, expressing the fear that they would fail in trying to implement legislation so ambitious. Ultimately, however, reason prevailed. In 1931, in the midst of the Depression, President Herbert Hoover overruled his budget advisers and signed into law the legislation establishing the National Institutes of Health. Hoover dismissed those who argued that the legislation was too costly and ambitious, commenting, "Some scientific discoveries and inventions have in the past been the result of genius struggling in poverty. But poverty does not clarify thought, nor furnish laboratory equipment."

No one today disputes the wisdom of Hoover's decision. The National Institutes of Health is today one of the world's foremost research agencies whose work is recognized as essential to the improvement and protection of the public health.

History makes it plain that the naysayers who sought to thwart the creation of NSF and NIH were wrong. In the years to come, I expect that the few lonely voices who still carp about the important elements of this legislation will similarly be proven wrong. With H.R. 856, we can provide meaningful support to the efforts of teachers, school administrators, parents and others to reform and improve the quality of our children's education. With this legislation, we can assure that the kind of research-based knowledge they need will be systematically and abundantly produced by OERI. No longer will OERI be a faint and flickering light; it will be a powerful and reliable beacon for reform and change in education.

Mr. Speaker, to significantly improve education in America we need an overwhelming campaign. This legislation provides the Office of Educational Research and Improvement with the capability to lead this overwhelming campaign for the improvement of education.

□ 1450

Mr. BALLENGER. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 856, an act to reauthorize the Office of Educational Research and Improvement [OERI].

Many of us represent schools, school districts, and States that have launched significant school reform efforts. These efforts have the goal of raising the achievement levels of all

students—the disadvantaged, average, and gifted alike. In order to accomplish this, it has become clear that schools and teachers will have to reinvent the way they operate—from management to instruction.

The success of the school reform effort is vital to the economic health of the country. It is difficult to think of creating high performance jobs without first creating high performance schools that produce high achievement students. This is why business organizations at the national, State, and local level are working to make school reform a success.

A critical element of this national movement is a high quality research and development effort so that educational change is based on sound experience and knowledge. No business would undertake such a major retooling without such research-based information. Unfortunately, the Federal effort in educational R&D is currently not up to the task. It not only falls short of the private sector's R&D capacity, but it does not compare to other Federal programs, in energy, health, agriculture, and the sciences.

H.R. 856 lays out a blueprint for OERI so we will be generating the highest quality educational innovations in the world by the year 2000. The legislation also creates a means by which this knowledge can be shared with, and adopted by, schools across the country. For example, a national educational computer network, Smartline, is authorized. Smartline will connect schools, States, universities, and Federal R&D centers with a focus on improved practice.

Mr. OWENS and I have worked together for almost 3 years on this legislation. While I continue to have reservations about some provisions, I support the major thrust of the bill and believe it can deliver on the promise of Federal leadership in this important area.

My congratulations to Mr. OWENS and my thanks to his staff for their willingness to find agreement on many provisions of the legislation. I am sure we will continue this bipartisan effort as we move the bill through the remainder of the legislative process.

I urge my colleagues to join me in support of passage of H.R. 856.

Mr. GOODLING. Mr. Speaker, I rise to speak in support of H.R. 856, the reauthorization of the Office of Educational Research and Improvement [OERI] in the U.S. Department of Education.

When we come to the floor with an education bill, there is often a discussion about the appropriate role of the Federal Government in our Nation's education system. This is a healthy discussion given the American tradition and the legal foundation for education being primarily a State and local function.

However, I believe that there are some areas where there is both a legitimate and important role for the Federal Government. One

such area is the support of educational research and development. It does not make sense to have the over 15,000 school districts or the 50 State education agencies carrying out totally independent research and development efforts—no more than it does in the area of agriculture, health, and science.

Unfortunately, the track record of the Federal R&D effort in education has not been up to the standards set in these other areas. Too often, the work has been driven by politics or simply the lack of any long-term vision for education. As a result, the reputation and funding levels of OERI are not what they should be.

Considering that we, as a nation, spend more than \$300 billion on elementary and secondary education, it is a major problem that we are not producing top quality information about what programs and practices lead to the highest levels of learning. If our education system is nearing chapter 11, part of the problem is an almost total lack of knowledge-based change.

Mr. OWENS and Mr. BALLENGER have both put a great deal of effort into creating a structure for OERI that could fill the leadership vacuum in educational R&D. However, like any plan, the results will come as a result of good faith implementation on the part of the Department. I would hope that in 5 years we will be able to look at OERI and compare it to the other highly regarded Federal research entities.

Congratulations to Mr. OWENS and Mr. BALLENGER for their bipartisan work on this legislation. The quality of the product demonstrated their hard work and good faith.

I urge my colleagues to support H.R. 856.

Mr. BALLENGER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FRANK of Massachusetts). The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rule and pass the bill, H.R. 856, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. David Zaroff, one of his secretaries.

#### APPOINTMENT OF CONFEREES ON H.R. 2493, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1994

Mr. DURBIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2493)

making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1994, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. SKEEN

Mr. SKEEN. Mr. Speaker, I offer a motion to instruct.

The Clerk read as follows:

Mr. SKEEN moves that the managers on the part of the House, at the conference on the disagreeing votes of the two Houses on H.R. 2493, be instructed that, in resolving the differences between the House and the Senate, the total discretionary spending should remain, as nearly as possible, within the totals in the House-passed bill for budget authority and outlays.

The SPEAKER pro tempore. The gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes and the gentleman from Illinois [Mr. DURBIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not want to take my entire time, but I would like to say it is pretty much self-explanatory.

Mr. DURBIN. Mr. Speaker, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Speaker, I accept the motion.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from New Mexico [Mr. SKEEN].

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Mr. DURBIN, Mr. WHITTEN, Ms. KAPTUR, Mr. THORNTON, Ms. DELAURO, Messrs. PETERSON of Florida, PASTOR, SMITH of Iowa, NATCHER, SKEEN, and MYERS of Indiana, Mrs. VUCANOVICH, Mr. WALSH, and Mr. MCDADE.

There was no objection.

#### DEPOSITORY INSTITUTIONS DISASTER RELIEF ACT OF 1993

Mr. GONZALEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2808) to facilitate recovery from the recent flooding of the Mississippi River and its tributaries by providing greater flexibility for depository institutions and their regulators, and for other purposes.

The Clerk read as follows:

H.R. 2808

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Depository Institutions Disaster Relief Act of 1993".

#### SEC. 2. TRUTH IN LENDING ACT; EXPEDITED FUNDS AVAILABILITY ACT.

(a) TRUTH IN LENDING ACT.—During the 180-day period beginning on the date of enactment of this Act, the Board of Governors of the Federal Reserve System may make exceptions to the Truth in Lending Act for transactions within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(b) EXPEDITED FUNDS AVAILABILITY ACT.—During the 180-day period beginning on the date of enactment of this Act, the Board of Governors of the Federal Reserve System may make exceptions to the Expedited Funds Availability Act for depository institution offices located within any area referred to in subsection (a) of this section if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(c) TIME LIMIT ON EXCEPTIONS.—Any exception made under this section shall expire not later than the earlier of—

(1) 1 year after the date of enactment of this Act; or

(2) 1 year after the date of any determination referred to in subsection (a).

(d) PUBLICATION REQUIRED.—The Board of Governors of the Federal Reserve System shall publish in the Federal Register a statement that—

(1) describes any exception made under this section; and

(2) explains how the exception can reasonably be expected to produce benefits to the public that outweigh possible adverse effects.

#### SEC. 3. DEPOSIT OF INSURANCE PROCEEDS.

(a) IN GENERAL.—The appropriate Federal banking agency may, by order, permit an insured depository institution, during the 18-month period beginning on the date of enactment of this Act, to subtract from the institution's total assets, in calculating compliance with the leverage limit prescribed under section 38 of the Federal Deposit Insurance Act, an amount not exceeding the qualifying amount attributable to insurance proceeds, if the agency determines that—

(1) the institution—

(A) had its principal place of business within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, on the day before the date of any such determination;

(B) derives more than 60 percent of its total deposits from persons who normally reside within, or whose principal place of business is normally within, areas of intense devastation caused by the major disaster;

(C) was adequately capitalized (as defined in section 38 of the Federal Deposit Insurance Act) before the major disaster; and

(D) has an acceptable plan for managing the increase in its total assets and total deposits; and

(2) the subtraction is consistent with the purpose of section 38 of the Federal Deposit Insurance Act.

(b) DEFINITIONS.—For purposes of this section:

(1) APPROPRIATE FEDERAL BANKING AGENCY.—The term "appropriate Federal banking agency" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(2) INSURED DEPOSITORY INSTITUTION.—The term "insured depository institution" has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(3) LEVERAGE LIMIT.—The term "leverage limit" has the same meaning as in section 38 of the Federal Deposit Insurance Act.

(4) QUALIFYING AMOUNT ATTRIBUTABLE TO INSURANCE PROCEEDS.—The term "qualifying amount attributable to insurance proceeds" means the amount (if any) by which the institution's total assets exceed the institution's average total assets during the calendar quarter ending before the date of any determination referred to in subsection (a)(1)(A), because of the deposit of insurance payments or governmental assistance made with respect to damage caused by, or other costs resulting from, the major disaster.

#### SEC. 4. BANKING AGENCY PUBLICATION REQUIREMENTS.

(a) IN GENERAL.—During the 180-day period beginning on the date of enactment of this Act, a qualifying regulatory agency may take any of the following actions with respect to depository institutions or other regulated entities whose principal place of business is within, or with respect to transactions or activities within, an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, if the agency determines that the action would facilitate recovery from the major disaster:

(1) PROCEDURE.—Exercising the agency's authority under provisions of law other than this section without complying with—

(A) any requirement of section 553 of title 5, United States Code; or

(B) any provision of law that requires notice or opportunity for hearing or sets maximum or minimum time limits with respect to agency action.

(2) PUBLICATION REQUIREMENTS.—Making exceptions, with respect to institutions or other entities for which the agency is the primary Federal regulator, to—

(A) any publication requirement with respect to establishing branches or other deposit-taking facilities; or

(B) any similar publication requirement.

(b) PUBLICATION REQUIRED.—A qualifying regulatory agency shall publish in the Federal Register a statement that—

(1) describes any action taken under this section; and

(2) explains the need for the action.

(c) QUALIFYING REGULATORY AGENCY DEFINED.—For purposes of this section, the term "qualifying regulatory agency" means—

(1) the Board of Governors of the Federal Reserve System;

(2) the Comptroller of the Currency;

(3) the Director of the Office of Thrift Supervision;

(4) the Federal Deposit Insurance Corporation;

(5) the Financial Institutions Examination Council;

(6) the National Credit Union Administration; and

(7) with respect to chapter 53 of title 31, United States Code, the Secretary of the Treasury.

#### SEC. 5. STUDY; REPORT TO THE CONGRESS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study that—

(1) examines how the agencies and entities granted authority by the Depository Institutions Disaster Relief Act of 1992 and by this Act have exercised such authority;

(2) evaluates the utility of such Acts in facilitating recovery from disasters consistent with the safety and soundness of depository institutions; and

(3) contains recommendations with respect to whether the authority granted by this Act should be made permanent.

(b) REPORT TO THE CONGRESS.—Not later than 18 months after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the Congress a report on the results of the study required by subsection (a).

#### SEC. 6. SENSE OF THE CONGRESS.

It is the sense of the Congress that the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the National Credit Union Administration should encourage depository institutions meet the financial services needs of their communities and customers located in areas affected by the 1993 flooding of the Mississippi River and its tributaries.

#### SEC. 7. OTHER AUTHORITY NOT AFFECTED.

Nothing in this Act limits the authority of any department or agency under any other provision of law.

The SPEAKER pro tempore (Mr. MORAN). Pursuant to the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, and the gentleman from Iowa [Mr. LEACH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 2808, the Depository Institutions Disaster Relief Act of 1993. H.R. 2808 is a bipartisan effort to respond to the problems faced by borrowers and lenders in areas damaged by the 1993 flooding of the Mississippi River and its tributaries.

This legislation arises out of concerns expressed by Members of the House that existing banking law and regulations may hinder efforts of borrowers and lenders to recover from damage caused by the unprecedented flooding in the Midwest. I wrote to each of the bank regulatory agencies to determine what problems, if any, had been raised by banks and thrifts and to ask them whether any statutory relief was warranted. Each regulator responded that its power under existing law, including last year's disaster relief

act, was sufficient to address the reconstruction effort. I would like to introduce copies of this correspondence into the RECORD. However, some provisions of last year's law had expired and so we reauthorize those provisions in today's legislation.

H.R. 2808 also takes into account the fact that the rains that caused the flooding also extensively damaged property, especially farmland, that may lie outside the flood plains.

In addition, today's legislation calls for a study as to how the temporary measures provided last year and this year have been utilized and whether such measures should be made permanent.

I note that the bank regulators' response directly contradicts the call by some to allow the waiver of any banking law or regulation in response to the disaster. Such wholesale regulatory relief based on de minimis ties to a disaster area is not needed and cannot be justified. The desire to respond to the suffering of residents of the disaster area must be reconciled with the need for regulatory relief that does not compromise safety and soundness. H.R. 2808 strikes that balance and recognizes that strong financial institutions are the key for reconstruction in disaster areas.

I thank those members of the Banking Committee and the House that worked with me to fashion this responsive and responsible legislation.

Mr. Speaker, I include herewith correspondence and documents regarding the flood disaster and the role of banks and banking regulations, as follows:

OFFICE OF THRIFT SUPERVISION,  
Washington, DC, July 28, 1993.

HON. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives,  
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of July 21, 1993, inviting our comment on H.R. 2661, the Depository Institutions' Disaster Relief Act of 1993.

H.R. 2661 would permit the federal banking agencies to waive any law applicable to any insured institution located within a designated major disaster area or an adjacent area. Any such waiver would be limited to three years' duration and could only be granted if it enhanced an institution's ability to lend in the disaster area and was consistent with safety and soundness.

We agree that this broad grant of authority is not necessary to address the problems of credit availability for recovery in disaster areas. As an alternative, you have asked us to consider whether changes should be made to the Depository Institutions' Disaster Relief Act of 1992 ("1992 DIDRA").

In our experience, the provisions included within the 1992 DIDRA proved adequate to address regulatory impediments to credit availability following the Florida and Hawaii hurricanes. In fact, the federal banking agencies will shortly issue an interagency order under the 1992 DIDRA that excepts transactions in the Midwest disaster areas from the otherwise applicable appraisal requirements of Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 ("FIRREA").

It is, of course, necessary to weigh the impact on safety and soundness of loosening regulatory controls against any additional benefit to be derived from such action on the availability of credit in an affected area. We believe the 1992 DIDRA provisions struck a good balance between these competing concerns. In order to address problems caused by the Midwest flooding, you may wish to consider reinstating those provisions of the 1992 DIDRA that have expired.

We are currently working closely with our field offices to develop and implement programs in order to respond to the need for credit availability in areas affected by the Midwest floods. As the flooding subsides and the cleanup process begins, we will continue to monitor whether other impediments to credit availability arise. If they do, we will apprise you of any additional problems that require legislative action.

Thank you for the opportunity to express our views on this issue.

Sincerely,

JONATHAN L. FIECHTER,  
Acting Director.

FEDERAL DEPOSIT  
INSURANCE CORPORATION,  
Washington, DC, July 27, 1993.

Hon. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance and  
Urban Affairs, House of Representatives,  
Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter requesting comments on any recommended changes to the Depository Institution Disaster Relief Act of 1992 (DIDRA), P.L. 102-485, that may be needed to respond to this year's flooding.

The Federal Deposit Insurance Corporation is sensitive to the special needs which accompany natural disasters such as floods, earthquakes and major storms and we support the intent of DIDRA to facilitate recovery from such disasters. In order to lessen unnecessary regulatory interference with local economic recovery, we have acted already on those regulations that we can temporarily modify. A News Release listing temporarily modified supervisory practices is enclosed for your information.

Certain laws and regulations that are beneficial and protect public policy interests in normal times can slow an insured institution's response in providing financial services during disasters. As we learned in 1992, granting temporary regulatory relief from these laws does not affect the safety and soundness of insured institutions. Insured institutions continue to be subject to active supervision and bank management is always expected to act in a prudent manner. It is unlikely that regulated institutions would purposefully harm themselves of their customers, or cause a loss to the insurance fund solely due to temporary waiver of a law or regulation. If any institution became involved in unacceptable activities, the federal financial institutions' regulatory agencies have substantial enforcement powers to force correction.

Congress may want to consider reinstating DIDRA's expired provisions. Several sections of DIDRA have sunset dates. Two Sections expired in April 1993: Section 3 (Truth in Lending Act; Expedited Funds Availability Act) and Section 5 (Banking Publication Requirements). To allow banks regulatory relief for future disasters, Congress might consider the benefits of extending these provisions permanently as well as the April 1994 expiration date of Section 4 (Deposit of Insurance Proceeds). These provisions would

provide regulatory relief during disasters and facilitate recovery after the disaster.

We appreciate the opportunity to comment on this important issue and stand ready to help in any way we can.

Sincerely,

ANDREW C. HOVE, Jr.,  
Acting Chairman.

#### FDIC ANNOUNCES STEPS TO HELP REBUILD FLOODED AREAS OF THE MIDWEST

The Federal Deposit Insurance Corporation announced today a series of initiatives intended to help rebuild Midwest states that have been damaged by recent serious flooding.

The FDIC said it is encouraging the state-chartered banks it supervises "to work constructively with borrowers who are experiencing difficulties due to conditions beyond their control." Extending repayment terms, restructuring existing loans or easing terms for new loans, if done in a manner consistent with sound banking practices, "can both contribute to the health of the community and serve the long-run interests of the lending institution," the FDIC said.

The agency added that those banks showing flexibility in working with borrowers in the affected areas "will not be subject to examiner criticism," provided that proper risk controls and management oversight are exercised. The FDIC said it will take these unusual circumstances into consideration when examining lenders whose levels of delinquent and nonperforming loans increase.

Other aspects of the FDIC announcement today provide specific regulatory relief. One is a temporary waiver of certain real estate appraisal regulations for the areas affected by the current flooding. Another is temporary relief from certain capital requirements if an already adequately capitalized bank finds its asset levels increasing due solely to deposits of insurance proceeds or government assistance funds.

The FDIC's guidelines are attached and will be sent to state nonmember banks and FDIC examiners in the next few days.

#### SUPERVISORY PRACTICES REGARDING DEPOSITORY INSTITUTIONS AND BORROWERS AFFECTED BY FLOODING IN THE MIDWESTERN UNITED STATES

In response to the serious flooding in the Midwest the FDIC is announcing to the financial institutions for which it is the primary federal regulator the following initiatives to provide regulatory relief and facilitate recovery.

Lending. It has been a long-standing practice of the FDIC to promote supervisory actions that encourage federally regulated financial institutions to work constructively with borrowers who are experiencing difficulties due to conditions beyond their control.

The physical destruction and business disruption caused by recent heavy flooding in the Midwest has placed financial pressures on businesses and individuals in the affected areas, in some cases adversely affecting their ability to repay loans in accordance with original terms and conditions. Often the financial pressures stemming from such events are transitory in nature, and borrowers are able to resume payments when economic conditions improve or the borrowers' financial positions stabilize. Under such circumstances, financial institutions generally determine that the most prudent policy is to work with borrowers experiencing difficulty in a manner that is consistent with sound banking practices, rather than take more

precipitous actions such as foreclosures and/or forcing the borrower into bankruptcy.

Lenders often find it in their and the borrowers' interests to extend terms of repayment or otherwise restructure the borrower's debt obligations. Such cooperative efforts can ease pressures on troubled borrowers, improve the capacity of such borrowers to service debt, and strength a financial institution's ability to collect on its loans. Financial institutions in areas affected by the widespread flooding may also deem it appropriate to ease credit-extending terms for new loans to certain borrowers, consistent with prudent banking practices, in order to assist the borrowers in recovering their financial strength and place them in a better position to service their debts. With proper risk controls and management oversight, these actions can both contribute to the health of the local community and serve the long-run interests of the lending institution and will not be subject to examiner criticism.

Financial institutions in the affected areas may find that their levels of delinquent and nonperforming loans will increase. Consistent with long-standing practices, the FDIC in supervising these institutions will take into consideration the unusual circumstances they face.

One of the principal objectives of the examination and supervision process is to achieve an accurate assessment of a financial institution's loan portfolio and financial condition. In carrying out its supervisory responsibilities, the FDIC recognizes that efforts to work with borrowers in communities under stress can be consistent with safe and sound banking practices as well as in the public interest.

Credit Availability. The FDIC reminds lenders of its recently announced program on documentation of loans to small and medium-sized businesses and farms. If an institution has adequate capital and is rated 1 or 2, it may designate a basket of loans that examiners will evaluate solely on the basis of performance and will be exempt from criticism for documentation. An extension of the program to some 3 rated institutions is in progress. Bankers may discuss the details of this policy with their regional office.

Waiver of Real Estate Appraisal Regulations. Pursuant to section 2 of The Depository Institutions Disaster Relief Act of 1992 (DIDRA) the FDIC is in process of preparing a waiver of certain real estate appraisal regulations for the areas affected by the current flooding. Once the waiver is issued, affected real estate transactions for up to three years would not require an appraisal by a state-licensed or state-certified appraiser nor need to be prepared in accordance with all the regulatory standards. Action on this waiver is expected in the next several days, in time for any recovery lending.

Leverage Capital Requirements. Through April 22, 1994, section 4 of DIDRA permits the FDIC to grant to individual banks some relief from regulations governing leverage capital requirements if, as a result of a temporary inflation of assets due solely to the deposit of insurance proceeds or government assistance funds, capital ratios are temporarily reduced. In order to qualify, an institution must have been adequately capitalized before the disaster. Banks affected who may need this relief should contact their FDIC regional office for particulars.

Temporary Banking Facilities. FDIC regional offices will expedite any request to operate temporary bank facilities by an institution whose quarters have been damaged or that desires to provide more convenient

availability of services to those affected by the flooding. In most cases, a telephone notice to the regional office will suffice initially and necessary written notification can be submitted later.

**Reporting Requirements.** FDIC-supervised institutions affected by the flooding should notify the FDIC regional office if they expect a delay in filing their June 30 Call Reports of Income and Condition or other reports. The FDIC will take into consideration any causes beyond the control of a reporting institution in considering how long a delay in filing can be accepted.

**Community Reinvestment.** To encourage financial institutions to meet the needs of communities, the FDIC, in assessing Community Reinvestment Act ("CRA") performance, will give positive consideration to a financial institution's active participation in programs where most or all of the financing provided may benefit affected low- and moderate-income borrowers or such neighborhoods even if located outside of the institution's delineated community. In determining whether and to what extent positive consideration will be given, the FDIC will assess the activities undertaken in the context of an institution's overall CRA program. Where such participation augments or complements an overall CRA program that is directly responsive to the credit needs in an institution's delineated community, it will be considered favorably in reaching an overall CRA conclusion.

The FDIC encourages depository institutions in the affected disaster areas to meet the financial service needs of their communities. Institutions that require supervisory assistance due to disruption of operations and other problems resulting from the flooding should contact their FDIC Division of Supervision regional office for further information.

NATIONAL CREDIT  
UNION ADMINISTRATION,  
Washington, DC, July 26, 1993.

Hon. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance and  
Urban Affairs, House of Representatives,  
Washington, DC.

DEAR MR. CHAIRMAN: In the absence of Chairman Roger Jepsen, I am replying to your letter of July 21 regarding P.L. 102-485. In the wake of devastating floods hitting the Midwest, NCUA field examiners and regional personnel have visited credit unions threatened or affected, assisting with relocation of offices and cleaning up flooded facilities. Similar to NCUA's efforts after Hurricane Andrew and Iniki, the agency stresses three priorities in our actions:

- Ensuring the safety of credit union staff,
- Keeping facilities and operations available to members, and
- Providing cash and loans as needed by members.

NCUA anticipates and has announced that we will take the following actions when appropriate:

- Postpone examinations of affected credit unions,

- Encourage loans with special terms and reduced documentation to credit union members in flooded areas,

- Allow affected credit unions to delay filing their 5300 call reports, and

- Guarantee lines of credit through the Share Insurance Fund and the Central Liquidity Facility.

In response to your request, we have surveyed each of NCUA's regional offices located in areas of recent natural disasters.

The agency believes we have sufficient authority at this time to effectively assist affected credit unions. We do not have any suggested changes to the Depository Institutions Disaster Relief Act. If you have any questions regarding our response to the flooding, please contact us.

Sincerely,

ROBERT E. LOFTUS,  
Director, Public and  
Congressional Affairs.

BOARD OF GOVERNORS OF  
THE FEDERAL RESERVE SYSTEM,  
Washington, DC, July 26, 1993.

Hon. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance and  
Urban Affairs, House of Representatives,  
Washington, DC.

DEAR MR. CHAIRMAN: I am writing to respond to your request for comment on whether any changes are needed in the Depository Institutions Disaster Relief Act of 1992 (DIDRA) to respond to operational and credit needs in the areas in the Midwest that have been affected by the recent flooding.

Under the existing provisions of DIDRA, the Federal Reserve and the other federal financial institutions regulatory agencies have taken several steps to provide regulatory relief, including waiver of the appraisal requirements of Title XI of FIRREA and the agencies' appraisal regulations and relief from certain leverage capital standards. Using its regulatory authority, the Board has also provided temporary relief from certain provisions of Regulation Z (Truth in Lending). In addition to these initiatives, the Federal Reserve has also authorized the Reserve Banks in the affected areas to grant filing extensions to those organizations that are unable to meet regulatory reporting deadlines due to flood-related problems. Furthermore, consistent with long-standing practice, the Federal Reserve has reminded our examiners that they should give due consideration to the unusual circumstances that institutions face in flood-affected areas in determining any supervisory action. These initiatives to provide relief in the Midwest are similar to those taken in 1992 in response to Hurricanes Andrew and Iniki and the Los Angeles civil unrest.

The Federal Reserve believes that DIDRA as originally enacted gives the agencies sufficient authority to provide regulatory relief while also enabling them to take appropriate actions to maintain the safety and soundness of federally insured institutions. In that light, even though affected institutions are exempt from the appraisal requirements, the agencies still require institutions to document the collateral's value. Further, after waiving the appraisal requirement in disaster areas, the agencies have the discretion to revoke or modify the waiver, with proper notice, if circumstances so warrant. Under the provisions for relief from the leverage capital standards, there are also adequate safeguards to prevent possible abuse. First, an eligible institution must request relief from the appropriate Reserve Bank which will review each request on a case-by-case basis and consult with Board staff on the decision to grant relief. Second, the institution must have been adequately capitalized prior to the disaster and present an acceptable plan for managing the resulting increase in assets and deposits.

Several provisions of DIDRA have expired or are about to expire. These provisions include: section 3 (Truth in Lending Act; Expedited Funds Availability Act) which expired

in April 1993 and gave the Board the authority to provide temporary relief from provisions of the Truth in Lending Act and the Expedited Funds Availability Act; section 4 (Deposit of Insurance Proceeds) which expires on April 23, 1994 and allows an institution to apply for relief from the leverage capital standards under certain situations; and section 5 (Banking Agency Publication Requirements) which expired in April 1993 and allowed the agencies to waive certain procedural requirements in acting on applications or regulatory initiatives where immediate action is needed to facilitate recovery from the disaster.

While the Board was able to use its existing authority to provide relief from the Regulation Z (Truth in Lending) requirements similar to that provided by DIDRA, the Board believes that Congress may wish to extend the availability of sections 3, 4 and 5 of DIDRA in order to permit the agencies to respond quickly and uniformly in future major disaster areas. Congress may also wish to give consideration to extending the coverage of section 3 to give the Board the ability to grant temporary relief in major disaster areas from provisions of the Electronic Fund Transfer Act and the Truth in Savings Act.

Please be assured that the Federal Reserve will continue to monitor the situation in the Midwest and respond to the needs of affected institutions and borrowers.

Sincerely,

ALAN GREENSPAN.

COMPTROLLER OF THE CURRENCY,  
ADMINISTRATOR OF NATIONAL  
BANKS,

Washington, DC, July 27, 1993.

Hon. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance and  
Urban Affairs, House of Representatives,  
Washington, DC.

DEAR MR. CHAIRMAN: I appreciate the opportunity to comment on the OCC's experience in implementing the various provisions of the Depository Institutions Disaster Relief Act of 1992 (DIDRA), Public Law 102-485. Following the destruction caused by Hurricane Andrew we found the provisions of the Act to be extremely helpful to us in working with our national banks in both insuring continued service to their customers and in facilitating long term recovery operations. We are very grateful for your past efforts in providing us the proper financial regulatory relief that can be granted to victims of natural disasters.

Presently, we feel that we have sufficient flexibility to deal with the effects of a natural disaster without the need for additional legislation that would allow us to waive any law or regulation for financial institutions located in disaster areas.

The flood-damaged Midwest is currently receiving our full attention with respect to insuring credit availability for flood victims so that businesses and communities can begin the hard work of recovery. OCC field office directors and duty station managers throughout the Midwest are working with national banks in the flood areas to explain and to provide the various forms of regulatory relief that are available to them. More details are provided in the attached banking circular that was issued to encourage national banks to work constructively with borrowers experiencing financial difficulties due to the floods.

To help rebuild businesses, farms, and assist affected communities, the OCC encourages national banks to make every effort to assess their respective credit needs. To assist

in this area, national banks have been told that, for branches destroyed or severely damaged, they may establish temporary facilities without additional approval or authorization (see attached memorandum).

As evidenced by the regulatory actions taken already by the OCC to assist national banks and their customers affected by the floods in the Midwest, our current authority in this area is sufficient. I do appreciate, however, your interest in exploring the need for any possible additional authority.

Thank you again for allowing me to comment.

Sincerely,

EUGENE A. LUDWIG,  
Comptroller of the Currency.

COMPTROLLER OF THE CURRENCY,  
ADMINISTRATOR OF NATIONAL BANKS,  
Washington, DC, July 21, 1993.

Type: Banking Bulletin.

Subject: Working with Borrowers Affected by Recent Flooding in the Midwest.

To: The Chief Executive Officers of National Banks and All Examining Personnel.

This issuance is intended to encourage bankers to work with borrowers in communities affected by recent flooding in the Midwest. The OCC recognizes that the effects of such natural disasters on local businesses and individuals are often transitory, and that prudent efforts to adjust or alter terms on existing loans in areas affected by the flooding should not be subject to examiner criticism. The OCC has provided guidance on this and related matters to its district offices in the areas affected.

One of the principal objectives of the examination and supervision process is to achieve an accurate assessment of a financial institution's loan portfolio and financial condition. The OCC recognizes that efforts by banks to work with borrowers in communities under stress, if conducted in a reasonable way, are consistent with safe and sound banking practice as well as in the public interest.

This may include working with borrowers to extend the terms of repayment or otherwise restructuring the borrower's debt obligations. Such cooperative efforts can ease pressures on troubled borrowers, improve their capacity to service debt, and strengthen the financial institution's ability to collect on its loans. Financial institutions may also ease credit-extension terms for new loans to certain borrowers, consistent with prudent banking practices. This will help such borrowers recover their financial strength and place them in a better position to service their debts.

The Depository Disaster Relief Act of 1992 (DIDRA) provided the OCC and the other federal financial regulatory agencies with the authority to grant certain regulatory relief to financial institutions affected by major disasters. As provided in section 2 of DIDRA, the OCC is issuing a waiver of their real estate appraisal regulations for real estate related transactions affected by the flooding. A separate notice will be issued, detailing the specific counties included.

Under section 4 of DIDRA, financial institutions may seek, until April 22, 1994, relief from regulations governing leverage capital requirements if they are experiencing a temporary increase of assets due to the influx of insurance proceeds or government assistance funds.

Financial institutions seeking such relief should contact their district office to determine eligibility.

With proper risk controls and management oversight, these steps can contribute both to

the health of the local community, as well as serve the long-run interests of the lending institution. And, consistent with long-standing OCC practice, such efforts by lenders will not be subject to examiner criticism, if carried out in a prudent manner.

The OCC further recognizes that the flooding may affect compliance with reporting and publishing requirements under various laws and regulations. Institutions that have flood-related difficulties complying with any reporting requirement should contact the office that supervises their bank or the district office.

In the consumer loan area, Regulation Z provides the consumer with the option to waive or modify the three-day rescission period when a "bona fide personal financial emergency" exists. To exercise this option, the consumer must provide the lender with a statement describing the emergency in accordance with the regulation.

Additional information may be obtained from OCC headquarters in Washington. For questions on consumer matters, contact Compliance Management at (202) 874-4428.

For specific questions regarding corporate matters (branching, temporary operations, etc.) contact Bank Organization and Structure at (202) 874-5060.

Responsible Office: For general guidance on applying this statement, contact the Office of the Chief National Bank Examiner in Washington, (202) 874-5170.

JERI GILLAND,  
Acting Chief National Bank Examiner.

COMPTROLLER OF THE CURRENCY,  
ADMINISTRATOR OF NATIONAL BANKS,  
Washington, DC.

To: District Deputy Comptrollers, District Administrators Deputy Comptroller, Multinational Banking.

From: Frank Maguire, Acting Senior Deputy Comptroller, Corporate Policy and Economic Analysis.

Date: July 16, 1993.  
Subject: Branching in Emergency Conditions; Mississippi River and Missouri River Floods.

Effective immediately, I delegate my authority under 12 CFR 5.2 (b) to the District Deputy Comptrollers, District Administrators, and Deputy Comptroller for Multinational Banking. This authority is limited to requests from national banks to provide temporary banking services at new locations, in or near the geographic areas affected by the flooding of the Missouri and Mississippi rivers and their direct or indirect tributaries. You may subdelegate this authority to the Directors under your supervision without prior approval.

Part 5.2(b) enables the OCC to adopt procedures different from those described in OCC regulations when the Office deems such action appropriate. The emergency conditions prompted by the flooding warrant abbreviated procedures for processing branch applications. As such, the districts may exempt certain regulatory requirements, and decide either written or oral requests, for national banks to provide temporary banking services to locations that are declared a "major disaster area" by the President of the United States. In exercising the authority contained herein, the districts shall ensure that adequate records are maintained of all decisions. The districts should also record requests and actions under this authority on the Licensing Information System.

TEMPORARY FACILITIES AT EXISTING BRANCH LOCATIONS

A national bank with a branch or branches destroyed or severely damaged may tempo-

rarily establish additional facilities at or in the immediate vicinity of a previously approved branch office site without any additional approval or authorization. This conforms to 12 U.S.C. 36 because the facility is merely an extension of the authorized branch.

Please contact Al Herlands or Cindy Hausch-Booth if you have questions regarding this directive.

FEDERAL RESERVE PRESS RELEASE

JULY 23, 1993.

The Federal Reserve Board today announced a series of steps designed to help ease financial stress in areas affected by flooding in the Midwest.

A supervisory statement adopted by the Board encourages financial institutions to work constructively with borrowers who are experiencing difficulty due to the flooding.

The statement says that banks may find it appropriate to ease credit terms to help new borrowers restore their financial strength, consistent with prudent banking practices, and to restructure debt or extend repayment terms for existing borrowers.

The Board also waived appraisal regulations for real estate related transactions affected by the flooding, and temporarily amended its Truth in Lending Regulation Z to provide relief under waiver rules so that borrowers may gain ready access to loan funds when they use their primary dwelling as collateral for a loan.

Under the right of rescission, a borrower normally has three business days to cancel a loan contract when it is secured by the borrower's principal dwelling.

Steps taken are outlined in the attached statement. Also attached is a copy of a transmittal letter to be sent to state member banks and bank holding companies in the affected areas.

STATEMENT ON SUPERVISORY PRACTICE REGARDING FINANCIAL INSTITUTIONS AND BORROWERS AFFECTED BY FLOODS IN THE MIDWESTERN UNITED STATES, JULY 23, 1993

It has been a long-standing practice of the Federal Reserve to promote supervisory actions that encourage regulated financial institutions to work constructively with borrowers who are experiencing difficulties due to conditions beyond their control.

The physical and business disruption caused by recent heavy floods in the Midwest has placed financial pressures on businesses and individuals in the affected areas, in some cases adversely affecting their ability to repay loans in accordance with original terms and conditions. Often the financial pressures stemming from such events are transitory in nature, and borrowers are able to resume payments when economic conditions improve or the borrowers' financial positions stabilize. Under such circumstances, financial institutions generally determine that the most prudent policy is to work with borrowers experiencing difficulty, in a manner that is consistent with sound business practices, rather than take more precipitous actions such as foreclosure and/or forcing borrowers into bankruptcy.

Lenders often find it in their and the borrowers' interests to extend terms of repayment or otherwise to restructure borrowers' debt obligations. Such cooperative efforts can ease pressures on troubled borrowers, improve their capacity to service debt, and strengthen financial institutions' ability to collect on their loans. Financial institutions in areas affected by the widespread flooding may also deem it appropriate to ease credit

terms, consistent with prudent banking practices, for new loans to certain borrowers in order to assist the borrowers to recover their financial strength and place them in a better position to service their debts. With proper risk controls and management oversight, these actions can contribute both to the health of the local community and serve the long-run interests of lending institutions. If carried out in a prudent manner, such efforts by lenders will not be subject to examiner criticism.

Financial institutions in the affected areas may find that their levels of delinquent and nonperforming loans will increase. Consistent with long-standing practice, the Federal Reserve, in supervising these institutions, will consider the unusual circumstances these institutions face in determining any supervisory response.

One of the principal objectives of the examination and supervision process is to achieve an accurate assessment of a financial institution's loan portfolio and financial condition. In carrying out its supervisory responsibilities, the Federal Reserve recognizes that efforts to work with borrowers in communities under stress, if conducted in a reasonable way, are consistent with safe and sound practices as well as in the public interest.

The Federal Reserve also recognizes that financial institutions in disaster-affected areas may encounter difficulty in complying with financial reporting requirements. Institutions in disaster areas that have encountered difficulties complying with such reporting requirements should contact the appropriate Reserve Bank as soon as possible for further guidance.

In addition, the Federal Reserve reminds regulated institutions of the availability of the recently announced program on documentation for loans to small- and medium-sized businesses and farms, which may assist lenders in meeting the credit needs of borrowers in disaster areas. This program allows institutions that are adequately capitalized and have a CAMEL rating of 1 or 2 to designate a basket of loans which examiners will evaluate solely on the basis of performance and will not criticize due to loan documentation. To qualify for the exemption, the loan may not exceed the lesser of \$900,000 or 3 percent of the institution's total capital. The total basket of such loans may not exceed 20 percent of total capital.

There are also several initiatives in process pursuant to the Depository Institutions Disaster Relief Act of 1992 (DIDRA), which provided the Federal Reserve and the other federal banking agencies with the authority to grant certain regulatory relief to financial institutions affected by major disasters. As provided in section 2 of DIDRA, the Board has waived the appraisal requirements of Title XI of FIRREA and the Board's regulation for real estate related transactions affected by the flooding.

Under section 4 of DIDRA, financial institutions may seek, until April 23, 1994, relief from regulations governing leverage capital requirements if they are experiencing a temporary increase of assets due to the influx of insurance proceeds or government assistance funds. Financial institutions that may need such relief should contact the appropriate Reserve Bank.

Pursuant to section 3 of DIDRA, relief was granted from certain requirements under Regulation Z (Truth in Lending) that related to consumers' right of rescission for certain loans secured by their principal dwellings. The authority to make exceptions under sec-

tion 3 of DIDRA has expired. The Board has approved similar relief through its existing authority under Regulation Z. In particular, a final rule has been approved to temporarily amend Regulation Z regarding consumer waivers of the right to cancel certain home-secured loans so that borrowers in the major disaster areas may more readily gain access to loan funds.

Finally, in keeping with the intent of DIDRA and previous initiatives to encourage financial institutions to meet the needs of communities devastated by major disasters, the Federal Reserve, in assessing Community Reinvestment Act performance, will give positive consideration to financial institutions' participation in programs where most or all of the financial provided may ultimately benefit low- and moderate-income borrowers or such neighborhoods located outside of an institution's delineated community.

Specific questions on these initiatives should be directed to the appropriate Reserve Bank.

#### DEPOSITORY INSTITUTIONS DISASTER RELIEF ACT

SUGGESTED TRANSMITTAL LETTER TO STATE MEMBER BANKS AND BANK HOLDING COMPANIES  
To the Chief Executive Officer of State Member Banks and Bank Holding Companies

The Depository Institutions Disaster Relief Act of 1992 ("DIDRA")<sup>1</sup> permits federal financial institutions' regulatory agencies to grant relief from leverage capital standards for banking organizations in areas affected by major disasters in certain areas.<sup>2</sup> The President recently has determined that a major disaster exists in certain areas of the Midwest affected by flooding. As a result, some banking organizations in the affected areas may wish to submit requests for relief to their appropriate Reserve Bank.

For an 18-month period following the enactment of DIDRA on October 23, 1992, the agencies may grant institutions that have collected insurance payments in connection with a major disaster temporary relief from the leverage limits for prompt corrective action on a case-by-case basis. Institutions experiencing temporary asset growth from the deposit of funds obtained from insurance proceeds or government assistance programs received as a result of a major disaster may apply to the Federal Reserve Bank for such relief.

#### LEVERAGE STANDARDS

For an 18-month period, Section 4 of DIDRA authorizes the Board to permit individual state member banks to subtract from the bank's total assets the amount of certain insurance proceeds collected by the bank in calculating the bank's leverage limit for prompt corrective action purposes.<sup>3</sup> A state member bank may request relief if it has experienced temporary asset growth from the deposit of funds received from insurance companies or government assistance programs because of the damage caused by a major disaster. A state member bank is eligible provided that:

(1) the institution's principal place of business was in the major disaster area on the day before the President declared the area as a major disaster;

(2) 60 percent or more of the institution's deposits are normally from individuals residing or businesses located in the disaster area;

(3) the institution was adequately capitalized before the disaster as defined in Section 38 of Federal Deposit Insurance Act (FDIA); and

(4) the institution has an acceptable plan for managing this increase in assets and deposits.

This relief allows an institution to deduct from its total assets, as defined in Section 38 of FDIA, for purposes of determining the Tier 1 leverage ratio, an amount not exceeding the qualifying amount of deposit volume attributable to insurance proceeds or governmental assistance. As a result of this relief, an institution will not be placed in a lower capital category based on its Tier 1 leverage ratio for purposes of prompt corrective action.

This relief does not apply with regard to the calculation of an institution's risk-based capital ratios for purposes of prompt corrective action. Accordingly, in order to limit the effect of an influx of such deposits on their risk-based capital ratios, institutions may need to invest insurance proceeds in lower risk-weighted assets such as U.S. government securities. Moreover, DIDRA does not give relief from the calculation of the tangible equity to total assets ratio used to determine the critically undercapitalized category for prompt corrective action.<sup>4</sup>

State member banks that believe they are eligible for relief should submit a written request to the Reserve Bank. Upon receiving the request, the Reserve Bank will determine whether in fact the bank meets the eligibility criteria. The Reserve Bank will also consider the appropriateness and reasonableness of the bank's plan for restoring capital to the required minimums. The Reserve Bank will periodically review the bank's progress in meeting the objectives of its plan. If the institution needs to materially change its approved plan, the institution will have to submit a revised plan for approval.

If there are any questions, contact (Reserve Bank staff member).

COMPTROLLER OF THE CURRENCY,  
ADMINISTRATOR OF NATIONAL BANKS,  
Washington, DC, July 22, 1993.

#### OCC OUTLINES RELIEF ON MIDWEST FLOODS

The Office of the Comptroller of the Currency (OCC) announced today various initiatives undertaken to assist national banks and their customers affected by the floods in the Midwest.

The OCC's field office directors and duty station managers throughout the Midwest are working with national banks in the flood areas to explain and to provide the various forms of regulatory relief available to them. These national banks have been told that, for branches destroyed or severely damaged, they may establish temporary facilities without additional approval or authorization.

The OCC has also notified affected national banks that other requirements will also be waived, including those related to call report filings, leverage capital and real estate appraisal requirements, and consumer regulations in ways that aid flood victims.

<sup>1</sup>Pub. L. 102-485, 106 Stat. 2771 (1992).

<sup>2</sup>Such areas are those for which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Act, has determined that a major disaster exists.

<sup>3</sup>The Federal Deposit Insurance Act (FDIA): 12 U.S.C. 1811, Section 38.

<sup>4</sup>Under Section 38 of FDIA, an institution is critically undercapitalized if its ratio of tangible equity to total assets is 2 percent or less. Tangible equity is defined as core capital elements plus the outstanding cumulative perpetual preferred stock, net of all intangible assets except limited amounts of purchase mortgage servicing rights.

In addition to these efforts already taken by the OCC in the affected states, the OCC also issued today a banking circular to encourage institutions to work constructively with borrowers experiencing difficulties due to the floods. The OCC encourages national banks to make efforts to assess the credit needs of businesses and communities affected by the floods.

To help rebuild businesses, farms and assist affected communities, the OCC's guidance points out that:

National banks may work with borrowers by extending terms of repayments or restructuring borrowers' debt obligations;

National banks may seek to ease credit-extension terms for new loans with certain borrowers, consistent with prudent banking practices;

The OCC will take into account the unusual circumstances in dealing with any increases in levels of delinquent and non-performing loans caused by the floods;

The OCC will issue, under provisions of the Depository Institutions Disaster Relief Act of 1992 (DIDRA), an order to waive real estate appraisal regulations for real estate affected by the flooding;

The OCC will grant temporary relief to eligible financial institutions from the leverage capital requirements when assets increase due to the influx of insurance proceeds or government assistance.

COMPTROLLER OF THE CURRENCY,  
ADMINISTRATOR OF NATIONAL BANKS,  
Washington, DC, July 21, 1993.

WORKING WITH BORROWERS AFFECTED BY  
RECENT FLOODING IN THE MIDWEST

To the Chief Executive Officers of National Banks and All Examining Personnel:

This issuance is intended to encourage bankers to work with borrowers in communities affected by recent flooding in the Midwest. The OCC recognizes that the effects of such natural disasters on local businesses and individuals are often transitory, and the prudent efforts to adjust or alter terms on existing loans in areas affected by the flooding should not be subject to examiner criticism. The OCC has provided guidance on this and related matters to its district offices in the areas affected.

One of the principal objectives of the examination and supervision process is to achieve an accurate assessment of a financial institution's loan portfolio and financial condition. The OCC recognizes that efforts by banks to work with borrowers in communities under stress, if conducted in a reasonable way, are consistent with safe and sound banking practices as well as in the public interest.

This may include working with borrowers to extend the terms of repayment or otherwise restructuring the borrower's debt obligations. Such cooperative efforts can ease pressures on troubled borrowers, improve their capacity to service debt, and strengthen the financial institution's ability to collect on its loans. Financial institutions may also ease credit-extension terms for new loans to certain borrowers, consistent with prudent banking practices. This will help such borrowers recover their financial strength and place them in a better position to service their debts.

The Depository Disaster Relief Act of 1992 (DIDRA) provided the OCC and the other federal financial regulatory agencies with the authority to grant certain regulatory relief to financial institutions affected by major disasters. As provided in section 2 of DIDRA, the OCC is issuing a waiver of their real es-

tate appraisal regulations for real estate related transactions affected by the flooding. A separate notice will be issued, detailing the specific counties included.

Under section 4 of DIDRA, financial institutions may seek, until April 22, 1994, relief from regulations governing leverage capital requirements if they are experiencing a temporary increase of assets due to the influx of insurance proceeds or government assistance funds. Financial institutions seeking such relief should contact their district office to determine eligibility.

With proper risk controls and management oversight, these steps can contribute both to the health of the local community, as well as serve the long-run interests of the lending institution. And, consistent with long-standing OCC practice, such efforts by lenders will not be subject to examiner criticism, if carried out in a prudent manner.

The OCC further recognizes that the flooding may affect compliance with reporting and publishing requirements under various laws and regulations. Institutions that have flood-related difficulties complying with any reporting requirements should contact the office that supervises their bank or the district office.

In the consumer loan area, Regulation Z provides the consumer with the option to waive or modify the three-day rescission period when a "bona fide personal financial emergency" exists. To exercise this option, the consumer must provide the lender with a statement describing the emergency in accordance with the regulation.

Additional information may be obtained from OCC headquarters in Washington. For questions on consumer matters, contact Compliance Management at (202) 874-4428.

For specific questions regarding corporate matters (branching, temporary operations, etc.) contact Bank Organization and Structure at (202) 874-5060.

Responsible office: For general guidance on applying this statement, contact the Office of the Chief National Bank Examiner in Washington, (202) 874-5170.

JERI GILLAND,  
Acting Chief National Bank Examiner.

#### OTS GIVES S&LS GUIDELINES TO HELP FLOOD REBUILDING

WASHINGTON, D.C., July 14, 1993—Savings and loans in states hit by flooding have been told by their federal regulator to reach out to their communities and work with borrowers to finance rebuilding. The Office of Thrift Supervision (OTS) issued the guidelines today from its Chicago and Dallas regional offices.

"OTS will do its part to cut through red tape and adjust our supervision to help thrift institutions recover so they, in turn, can make a meaningful contribution to the general recovery effort," said John Downey, OTS deputy director for regional operations.

The guidelines said OTS will grant temporary waivers of some rules to help savings institutions cope with the disaster. For example, OTS will encourage lending to rebuild small businesses by granting temporary waivers to the rule that requires thrifts to keep 65 percent of their assets in housing loans. Institutions that find themselves with a sudden increase of deposits of insurance payments or government assistance can apply for temporary waivers of the leverage ratio capital requirement.

The directives, issued by Ronald N. Karr, Chicago regional director, and Frederick R. Casteel, Dallas regional director, urge thrifts to work with borrowers to restructure or to

increase their loans if needed to finance reconstruction or repair. Thrifts are also urged to consider temporarily waiving charges for late payments for flood victims, and to seek out various government programs that may help in cases in which credit risk of potential borrowers is too great.

The directives were sent to savings institutions in Illinois, Wisconsin, Minnesota, Iowa, Missouri, Kansas, South Dakota and Nebraska. Copies of the directives are available from the OTS press office: 202/906-6693.

OFFICE OF THRIFT SUPERVISION,  
Dallas/Fort Worth, TX, July 14, 1993.

To the Chief Executive Officer:

The recent storms and floods have devastated portions of the Midwest and interrupted vital services to thousands of residents. Concerted efforts are needed to rebuild lost or damaged homes and businesses. Therefore, I strongly encourage all thrifts operating in the affected areas to:

Reach out to your communities and assess their credit needs. Meet with local governmental and community organizations to find out what is required. Make sound loans to rebuild what has been damaged or lost.

Where credit risks are determined to be too great, work actively with state and federal agencies, as well as other financial institutions, to find ways to mitigate those risks.

Work with borrowers to restructure or to increase their loans if needed to finance reconstruction or repair.

Consider temporarily waiving charges for late payments.

Take advantage of both the Community Investment Program (CIP) and Affordable Housing Program (AHP) offered by the applicable Federal Home Loan Bank. Direct your inquiries regarding these programs to the Bank's Community Investment Officer.

Identify RTC/FDIC properties in the area which could be utilized by local or federal agencies to facilitate relief efforts.

OTS intends to facilitate the rebuilding efforts to the greatest possible extent within the parameters of safety and soundness. For example:

Small businesses in certain parts of the Midwest have suffered considerable damage, and many of these businesses are vital to the health and well being of their communities. To help rebuild these businesses, OTS will consider temporarily waiving the Qualified Thrift Lender requirements for those institutions who continue to meet their capital requirements. Institutions are cautioned to operate within their established lines of business and areas of expertise. To request a waiver, an institution should outline a proposal and submit it to this office.

OTS staff will assist institutions whenever possible by acting as a liaison with other governmental agencies in an effort to cut through red tape and speed up the rebuilding process.

OTS is considering waiving the appraisal requirement for properties located in an area designated eligible for federal assistance.

Through the implementation of Section 4 (Deposit of Insurance Proceeds) of the Depository Institutions Disaster Relief Act of 1992 (the "DIDRA"), the OTS may grant relief from leverage ratio capital standards under prompt corrective action if an institution experiences a temporary increase in its total asset position because of the deposit of insurance proceeds or government assistance funds paid to depositors in connection with damage or loss caused by a major disaster. Thrifts that are headquartered in a major

disaster area and that derive more than 60 percent of total deposits from the area of intense devastation, should contact the OTS's Regional Office if it is believed that an exception from the leverage ratio capital standards will be necessary. Such regulatory relief may be allowed for an 18-month period from the enactment of DIDRA.

As a result of the flooding, certain institutions may experience difficulty in meeting the filing deadlines for the June 30, 1993 Thrift Financial Report ("TFR"). If it is anticipated that your institution will be unable to file its TFR on a timely basis, please contact Mike Edgar at 214-281-2050 to arrange for a filing extension.

Positive efforts undertaken to assist in rebuilding communities and providing replacement housing will be favorably considered during an OTS evaluation of an institution's performance under the CRA. Success can only be achieved by individuals, community organizations, and financial institutions working together through the difficult process of recovery. I encourage you to contact Regional Deputy Director Harlan Halsne at 913/339-5005 in our Kansas City office or me at 214/281-2200 if you believe that OTS can be of assistance or if you have ideas that could help with the rebuilding process.

Sincerely,

FREDERICK R. CASTEEL,  
Regional Director.

OFFICE OF THRIFT SUPERVISION,  
Chicago, IL, July 13, 1993.

To the Chief Executive Officer:

The recent flooding in the Midwestern states, which is devastating areas along the Mississippi River and its tributaries, is a tragedy for the affected communities and thousands of innocent victims. Scores of people have been left homeless and unemployed.

As this natural disaster continues to unfold, concerted efforts will be needed to rebuild lost or damaged homes and businesses. Therefore, I strongly encourage all thrifts operating in the affected areas to:

Reach out to your communities and assess their credit needs. Meet with local governmental and community organizations to find out what is required. Make sound loans to rebuild what has been damaged or lost.

Where credit risks are determined to be too great, work actively with state and federal agencies, as well as other financial institutions, to find ways to mitigate those risks.

Work with borrowers to restructure or to increase their loans if needed to finance reconstruction or repair.

Consider temporarily waiving charges for late payments.

Take advantage of both the Community Investment Program (CIP) and Affordable Housing Program (AHP) offered by the Federal Home Loan Bank of Chicago. Direct your inquiries regarding these programs to the Bank's Community Investment Officer.

Identify RTC/FDIC properties in the area which could be utilized by local or federal agencies to facilitate relief efforts.

OTS intends to facilitate the rebuilding efforts to the greatest possible extent within the parameters of safety and soundness. For example:

Small businesses in certain parts of Illinois and Wisconsin have suffered considerable damage, and many of these businesses are vital to the health and well being of their communities. However, the Qualified Thrift Lender ("QTL") test may hinder an institution's ability to loan to these affected businesses. To help rebuild these businesses, QTS

will consider temporarily waiving the QTL requirements for those institutions who continue to meet their capital requirements. Institutions are cautioned to operate within their established lines of business and areas of expertise. To request a waiver, an institution should outline a proposal and submit it to this office.

Through the implementation of Section 4 (Deposit of Insurance Proceeds) of the Depository Institutions Disaster Relief Act of 1992 (the "DIDRA"), the OTS may grant relief from leverage ratio capital standards under prompt corrective action if an institution experiences a temporary increase in its total asset position because of the deposit of insurance proceeds or government assistance funds paid to depositors in connection with damage or loss caused by a major disaster. Thrifts that are headquartered in a major disaster area and that derive more than 60 percent of total deposits from the area of intense devastation should contact the OTS's Central Regional Office if it is believed that an exception from the leverage ratio capital standards will be necessary. Such regulatory relief may be allowed for an 18-month period from the enactment of DIDRA.

As a result of the flooding, certain institutions may experience difficulty in meeting the filing deadlines for the June 30, 1993 Thrift Financial Report ("TFR"). If it is anticipated that your institution will be unable to file its TFR on a timely basis, please contact Mike Edgar, Manager Financial Reporting Division, at 214-281-2050 to arrange for a filing extension.

OTS staff will assist institutions whenever possible by acting as a liaison with other governmental agencies in an effort to cut through red tape and speed up the rebuilding process.

Positive efforts undertaken to assist in rebuilding communities and providing replacement housing will be favorably considered during an OTS evaluation of an institution's performance under the CRA. Success can only be achieved by individuals, community organizations, and financial institutions working together through the difficult process of recovery. I encourage you to contact me at 312-540-5905 or Chester Biedron at 312-540-5974 if you believe that OTS can be of assistance or if you have ideas that could help with the rebuilding process.

Sincerely,

RONALD N. KARR,  
Regional Director.

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Mr. Speaker, I reserve the balance of my time.

Mr. LEACH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the distinguished chairman for his comments, and also most specifically for his timely consideration of this legislation. And in so doing, I would also like to thank Members from outside the areas affected by these floods for their sympathetic support to a whole range of flood assistance on this legislation, and I also want to recognize the gentleman from Minnesota [Mr. GRAMS] for initiating the real legislation which helped precipitate the bill before us today, and the gentleman from Iowa [Mr. NUSSLE] for his work in this particular area. They are to be congratulated for their commitment and thoughtfulness in this flood endeavor.

My Speaker, I rise today in support of H.R. 2802, the Depository Institutions Disaster Relief Act of 1993. This bill gives regulators the authority to waive temporarily certain regulations so that banks will be better able to meet the disaster needs of their communities in the wake of the 1-in-500-year flood.

I am grateful to all of those who have worked so hard to bring this bill to the floor today. In particular, Representative ROD GRAMS and Chairman GONZALEZ have been prompt and diligent in constructing legislation which will allow banks and thrifts to address the unique economic challenges caused by this flood and to facilitate the cleanup. Without their leadership, we would not be here today.

Americans can be proud of the way our country has pulled together to respond to this devastating flood. Volunteer groups, the Red Cross, State and local governments, the U.S. Military, FEMA, and the administration, should all be commended for their efforts. President Clinton and Secretary Espy have worked tirelessly to bring relief to the flood victims. The House has also responded by passing the emergency flood bill. However, we have the chance today to offer further assistance not by appropriating more money, but simply by granting bank regulatory agencies with the flexibility they need to work with financial institutions to ensure the adequate flow of credit to these floodswamped communities.

H.R. 2808, which is patterned after legislation enacted last year to respond to Hurricane Andrew and Hurricane Iniki, allows banking regulators to waive temporarily certain provisions of the Truth in Lending Act and the Expedited Funds Availability Act. For example, the Expedited Funds Act requires banks to honor checks within a certain number of days. In some flood areas, power outages and computer damage have made it difficult for financial institutions to process checks and post deposits in a timely manner. The Federal Reserve could grant such exceptions only if the exemption could reasonably be expected to facilitate recovery in the disaster area and if the benefits were expected to outweigh any possible adverse effects.

H.R. 2808 also permits regulators to take into consideration extraordinary asset growth at a depository institution as a result of the inflow of Government assistance checks and insurance payments. In modifying the way the leverage ratio is calculated, regulators could free up crucial capital so that financial institutions could better assist disaster victims. Furthermore, the bill allows regulators to waive certain publication and notification requirements if such actions would facilitate recovery. Finally, H.R. 2808 requires the GAO to study how regulators have utilized the provisions of this act and provisions of last year's Hurricane Bill to determine their effectiveness in providing relief to people and communities in disaster areas and to determine if any of these provisions should be made permanent.

Financial institutions play an important role in their communities when a disaster strikes. H.R. 2808 gives bank regulators the flexibility to allow these institutions to better provide credit and assistance to disaster victims in their time of greatest need. I urge my colleagues to suspend the rules and pass this legislation to assist flood victims and communities to begin the process of recovery.

Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. GRAMS].

Mr. GRAMS. Mr. Speaker, I thank the gentleman very much for yielding the time.

Mr. Speaker, first, I want to thank Chairman GONZALEZ for his leadership in acting quickly to bring this important legislation to the floor.

Just 2 weeks ago, I along with Mr. BEREUTER, Mr. LEACH, Mr. SMITH, and a bipartisan group of other Members introduced legislation similar to this bill.

And just last Thursday, the chairman was concerned enough to join us in a colloquy in which he committed to acting promptly on this matter. And, now, here it is Monday, and we've got a good bill here on the floor. Again, I want to thank the chairman for leadership in bringing this to the floor so quickly.

Mr. Speaker, in passing this bill, we are only doing what makes sense for lenders, borrowers, and the American taxpayer.

Two weeks ago, I met with a group of Minnesota lenders who raised concerns about the effects Federal banking regulations might have on victims of the disastrous Midwest flooding.

They pointed out that Federal banking regulations have become so onerous that in many cases, lenders will have their hands tied and be unable to restructure or make new credit available to farmers, small businesses, and families who have suffered financially from the recent flooding.

That would be a real tragedy, because in many cases, local lenders who may have worked with particular farmers, small businesses or families for two or three generations, would not have the discretion to help people who would be good, safe customers if it weren't for the flooding.

Shutting good people down would be an injustice to those people, the lenders, and even for taxpayers who would have to pay the bill for the costs associated with unemployment and lost jobs.

It would also ignore the fact that in most communities in America, local lenders know more and care more about what happens to the people in their local communities than any regulator or bureaucrat sitting in Washington. The local lenders see borrowers as people, not just figures on a piece of paper.

Mr. Speaker, just 1 year ago this House passed similar legislation on behalf of the victims of Hurricane Andrew.

Today, I hope we will give the same consideration to the Midwest flood victims. And by this time next year, I hope we will give the same flexibility to lenders across the country, many of whom have customers facing economic crisis of their own.

Mr. LEACH. Mr. Speaker, I yield 2 minutes to my distinguished colleague, the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, first I would like to thank the chairman of the committee for his diligence and speed in bringing this matter to the floor today, as well as the gentleman from Iowa [Mr. LEACH] for his leadership in participating in a bipartisan effort, as well as the gentleman from Minnesota [Mr. GRAMS] who as a freshman I think has definitely shown that you can be effective by introducing legislation and getting it worked to the floor very quickly with help from a bipartisan coalition, including the chairman of a very powerful committee.

I would like to say that I am an original cosponsor, because I have no question in my mind that this disaster needs to have the full consideration and concern that we have had in the past for other disasters. I think we have established a precedent from Hurricane Andrew last year. We took similar action with regard to bank regulations. And there is no question that similar concerns arise here for small business people, for farmers and for families. There is the need for credit, the need for deposits in a very expedited and expeditious form, and we need speed and efficiency within our process.

But we also recognize that many times regulators spell relief p-a-p-e-r-w-o-r-k, paperwork, and what we wanted to do was try and reduce some of that paperwork, try and reduce some of the overhead, and try and get deposits and credit out to the people that need it.

This bill maintains the safety and soundness of our bank regulatory system, but it changes three very important rules and regulations in the Truth in Lending Act, in the Expedited Funds Availability Act, and in changes in the Federal Deposit Insurance Act that will allow people to get their deposits much quicker.

Consideration for future regulatory changes I think also are necessary, and I think we may be able to take a lesson from this particular flood in the future by maybe making changes for when disasters do crop up. Hopefully the new task force on disasters will take that matter up, as well as changes in bank regulatory reform for the future.

In the GAO report that is part of this legislation we will look into some of the changes that we made today and their impact both in Hurricane Andrew and from the great flood of 1993 which will be helpful to make sure that those changes are effective for the future.

Mr. LEACH. Mr. Speaker, this bill is of modest provisions, but the circumstances it touches are not of immodest proportions. The flood is truly awesome in its consequences. There has been and will be Government assistance, but most of the assistance that will be coming to people will be from their neighbors and from neighborhood institutions.

As a midwesterner, I would just like to stress how impressed I am with the work of citizens at the local level and of the effectiveness of that work. I wish sometimes when we look at our own body that perhaps as we see people working together so cooperatively in a major emergency that we would take inspiration. Maybe this institution of our own could work in the same kind of spirit.

I am also impressed with what neighborhood financial institutions are doing in the areas affected. Many have led by reserving flood loan accounts for their communities.

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What this bill does is simply ensure that there will be no regulatory roadblocks to local lending.

Let me conclude by noting, in the larger picture, that emergencies of this nature underscore the import of strong financial institutions. They underscore the import to the communities they serve of a strong banking system, one where financial institutions are able to weather instances of bad weather.

One of the things the Midwest can count as true blessing at this time is that we have financial institutions strong enough to help their communities when their communities are put on their back or, as in this case, are deluged with water. What this bill represents is a commitment of the U.S. Government to work credibly, realistically, and flexibly with neighborhood financial institutions. It also underscores the fact that in the Midwest, for all the bad news about finance that has affected much of world lending, we do have credible institutions that are solid and solvent. We have institutions able to take care of people in their community when emergencies of this nature arise.

Let me end by thanking again the distinguished chairman of this committee that I am honored to serve with and repeat, as I have on so many occasions, my high regard for his personal commitment to advance the public interest, particularly when instances of individual inequity and hardship arise.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. BARLOW], who represents an affected area.

Mr. BARLOW. Mr. Speaker, I thank the gentleman very much for yielding me this time.

I appreciate very much what the committee has done here in the bipartisan spirit of the Members on the other side who have come together here in a spirit of unity for people who are in trouble, as people are losing their homes, as people are losing their crops, their very livelihoods all through the north-central portion and

the Mississippi Valley of our Nation. You all have come together in the most stirring and rapid, and in the best traditions of American movement, political movement, reaching out rapidly to help people.

I want to extend to you my heartiest congratulations and my deepest appreciation for the people in western Kentucky who appreciate this, and we hope to have more of the work that you have presented us coming forward in the months ahead.

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman. May I say in response that I think I speak for everybody, not only in the Congress but throughout the country, that we share the urgency and the terrible sadness of this very disruptive, unprecedented, and I think, as some folks call it, a 500-year flood, and will continue to sustain our efforts.

Mr. BARLOW. Mr. Speaker, I thank the gentleman very much.

Mr. BEREUTER. Mr. Speaker, this Member rises in support of H.R. 2808, the Depository Institutions Disaster Relief Act of 1993.

This measure provides regulatory relief for financial institutions doing business in any of the Presidentially declared disaster areas affected by flooding, wind damage, or other disasters that have plagued much of the Midwest in recent weeks.

While H.R. 2808 does not go as far in providing regulatory relief as H.R. 2661, the measure introduced by the distinguished gentleman from Minnesota [Mr. GRAMS] and myself, it does provide the same waivers for financial institutions as were provided in last year's Hurricane Depository Disaster Relief Act. Further, the measure provides for a GAO study to determine the effectiveness of disaster related waivers, to determine if the provisions of this act should be made permanent.

This Member commends the distinguished chairman of the Banking Committee [Mr. GONZALEZ] and the ranking minority member of the Banking Committee [Mr. LEACH] for their attention to this disaster and their action in bringing this measure to the House floor.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MORAN). The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill H.R. 2808.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### COMMUNITY INVESTMENT DEMONSTRATION ACT OF 1993

Mr. GONZALEZ. Mr. Speaker, I move that the House suspend the rules and pass the bill (H.R. 2668) to establish a demonstration program to provide affordable rental housing for low-income

families, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2668

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Investment Demonstration Act of 1993".

#### SEC. 2. SECTION 8 COMMUNITY INVESTMENT DEMONSTRATION PROGRAM.

(a) AUTHORITY.—Using amounts available pursuant to section 5(c)(7)(B)(ii) of the United States Housing Act of 1937, the Secretary of Housing and Urban Development (in this section referred to as the "Secretary") shall carry out a demonstration program to provide project-based rental assistance under section 8 of such Act on behalf of low-income families residing in housing that is constructed, rehabilitated, or acquired pursuant to a loan or other financing from an eligible pension fund. Notwithstanding section 514(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(d)), nothing in this section shall be construed to authorize any action or failure to act that would otherwise constitute a violation of such Act with respect to an eligible pension fund.

(b) CONTRACT TERMS.—Assistance provided under the demonstration under this section with respect to eligible housing—

(1) shall be project-based assistance that is attached to the eligible housing; and

(2) shall be provided pursuant to a contract entered into by the Secretary and the owner of the eligible housing that—

(A) provides such assistance for a term of not less than 60 months and not more than 180 months; and

(B) provides that the contract rents for dwelling units in the eligible housing shall be determined by the Secretary taking into consideration any costs for construction, rehabilitation, or acquisition of the housing, except that such contract rent may not exceed the contract rent permitted pursuant to section 8 of the United States Housing Act of 1937.

(c) ELIGIBLE HOUSING.—The Secretary may enter into a commitment to provide assistance pursuant to this section with respect to a housing project only if—

(1) the housing is—

(A) a multifamily housing project owned by the Secretary or subject to a mortgage held by the Secretary that is delinquent, under a workout agreement, or being foreclosed upon by the Secretary;

(B) designed by the Secretary under section 24(b) of the United States Housing Act of 1937 as a severely distressed public housing project;

(C) a multifamily housing project eligible for assistance for troubled projects under section 201 of the Housing and Community Development Amendments of 1978;

(D) a multifamily housing project located in an empowerment zone or enterprise community designated pursuant to Federal law; or

(E) any other multifamily housing project, including a project to be occupied by homeless persons (as such term is defined in section 103 of the Stewart B. McKinney Homeless Assistance Act) or homeless families;

(2) the Secretary determines that the owner of the housing has obtained commitments, satisfactory in the determination of the Secretary, for financing for the construction, acquisition, or rehabilitation of the housing from an eligible pension fund;

(3) the mortgage for the housing meets standards regarding securitization and such additional standards regarding financing as the Secretary may establish;

(4) in the case of any housing that is to be constructed, the Secretary determines that the owner of the housing has provided reasonable assurances to the Secretary that the owner will own or have control of a site for the housing (which may be a suitable site different from the site specified in the application under subsection (d)) not later than 12 months after notification of the award of assistance under this section;

(5) the housing and any work done with respect to the housing will comply with any applicable environmental laws or regulations;

(6) the construction, rehabilitation, or acquisition of the housing is not inconsistent with the approved comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act for the jurisdiction in which the housing is located; and

(7) the housing complies with any other requirements established by the Secretary to carry out the demonstration under this section.

(d) APPLICATIONS.—The Secretary shall provide for the owners of eligible housing, together with the eligible pension funds providing financing for the housing, to jointly submit applications for assistance under this section. An application shall include a description of the housing to be constructed, rehabilitated, or acquired, the location of the housing (or the site for the construction of the housing), the terms of the financing by the eligible pension fund, a request for a specific amount of assistance under this section for a specific term, and such other information as the Secretary may require.

(e) SELECTION AND DETERMINATION OF ASSISTANCE.—

(1) IN GENERAL.—The Secretary shall select eligible housing for assistance under this section from among applications submitted pursuant to subsection (d) and, subject to the provisions of this section, shall determine the amount of assistance to be provided for selected housing that is appropriate to maintain the affordability and feasibility of the housing.

(2) LIMITATION.—Of any amounts made available for the demonstration under this section pursuant to the amendment made by subsection (1) of this section, during the 6-month period beginning on the date that such amounts first are made available by the Secretary for assistance under this section, the Secretary may not provide (or make any commitment to provide) more than 50 percent of such amounts for assistance for eligible housing financed by any single eligible pension fund.

(f) RELATION TO PHA PROJECT-BASED LIMIT.—Project-based assistance provided under this section shall not be considered for purposes of any percentage limitation under section 8(d)(2)(A) or (B) of the United States Housing Act of 1937 regarding the amount of assistance under such section that may be attached to the structure.

(g) USE IN PROPERTY DISPOSITION PROGRAM.—

(1) AUTHORITY.—Notwithstanding any provision of section 203 of the Housing and Community Development Amendments of 1978, assistance provided in connection with the disposition as a multifamily housing project under such section 203 may have a contract term of less than 15 years if such assistance is provided (A) under a contract under the

demonstration under this section, and (B) pursuant to a disposition plan under such section 203 for the project that is approved under such section by the Secretary as otherwise in compliance with the requirements of such section.

(2) **ALLOCATION.**—Of the amounts made available in each fiscal year for assistance under the demonstration under this section, a significant amount may be used in connection with the disposition under section 203 of the Housing and Community Development Amendments of 1978 of eligible housing.

(h) **REPORTS.**—

(1) **GAO.**—The Comptroller General of the United States shall submit to the Congress reports under this paragraph evaluating the effectiveness of the demonstration under this section. Such reports shall be submitted not later than the expiration of the 2-year period beginning on the date of the enactment of this section and not later than the expiration of the 6-month period beginning upon the termination date under subsection (k).

(2) **SECRETARY.**—The Secretary shall submit an annual report to the Congress for each fiscal year in which the Secretary provides assistance pursuant to contracts entered into under this section. The reports shall summarize the activities carried out under this section, describe the housing assisted and the amounts of assistance provided, and include any findings and recommendations of the Secretary as a result of the demonstration under this section. Each such report shall be submitted not later than the expiration of the 3-month period beginning upon the conclusion of the fiscal year for which the report is made.

(i) **DEFINITIONS.**—For purposes of this section:

(1) The term "eligible housing" means housing for which the requirements under subsection (c) have been met.

(2) The term "eligible pension fund" means any—

(A) trust, fund, plan, or other program established or maintained by any employer or other person for the purpose of providing income or benefits to employees after the termination of employment or deferring income by employees until after the termination of employment, or

(B) other entity that invests principally the amounts of any trust, fund, plan, or other program referred to in subparagraph (A),

that the Secretary considers appropriate for purposes of this section.

(j) **REGULATIONS.**—The Secretary shall issue any final regulations necessary to carry out this section not later than the expiration of the 45-day period beginning on the date of the enactment of this section.

(k) **TERMINATION DATE.**—The Secretary may not enter into any new commitment to provide assistance under this section after September 30, 1998.

(l) **FUNDING.**—Section 5(c)(7)(B)(ii) of the United States Housing Act of 1937 (42 U.S.C. 1437c(c)(7)(B)(ii)) is amended by inserting after "8(1)(2)"; the following: "and of which not more than \$100,000,000 shall be available for the community investment demonstration program under section 5 of the Homeless and Community Development Amendments Act of 1993;"

The **SPEAKER pro tempore**. Pursuant to the rule, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, and the gentleman from New Jersey [Mrs. ROUKEMA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I introduced H.R. 2668, together with Congresswoman MARGE ROUKEMA, on July 20, 1993. This is bipartisan legislation designed to encourage investment by pension funds in the construction, rehabilitation, and acquisition of critically needed housing for low-income families.

H.R. 2668 was developed in close cooperation between the Committee on Banking, Finance and Urban Affairs, and the Department of Housing and Urban Development. Secretary Cisneros and other public witnesses recommended and supported this legislation at a subcommittee hearing held on June 16, 1993.

H.R. 2668 would set aside \$100 million from incremental section 8 rental certificates in fiscal year 1994 to permit HUD to carry out a Community Investment Demonstration Program on behalf of low-income families residing in housing that is constructed, rehabilitated, or acquired through investments from pension funds.

Pension funds could invest in housing that is: First, a multifamily housing project owned by HUD, or subject to a HUD mortgage that is delinquent, under a workout agreement or under foreclosure; second, designated a severely distressed public housing project; third, a multifamily housing project eligible for assistance for troubled projects; fourth, a multifamily housing project located in an empowerment zone or enterprise community; fifth, any other multifamily housing project, including those occupied by homeless persons or families.

Pension funds estimate that this program will generate from \$350 to \$550 million in new housing investment. In short, for every \$1 the Federal Government sets aside for this program, pension funds will invest at least \$3 to \$5. The program will provide about 3,000 section 8 rental certificates to be used as project-based assistance by low-income renters in housing constructed or rehabilitated through pension fund investments.

Since these section 8 certificates will leverage investment, the program will act as a catalyst to produce more housing opportunities and demonstrate that such housing is a good investment for pension funds.

In order to ensure that this demonstration program is open to all pension funds, H.R. 2668 has been amended to provide that, no single pension fund could receive more than 50 percent of the assistance authorized; however, if after 6 months funds have not been allocated under this program, this limitation is removed.

Since H.R. 2668 involves pension funds investments, I consulted with the House Education and Labor Committee

to ensure that the bill is consistent with existing law governing pension investments. In keeping with the recommendation of the Education and Labor Committee, H.R. 2668 specifically provides that nothing in the demonstration program is to be construed to authorize any action or failure to act, by a pension fund, that would constitute a violation of the Employee Retirement Income Security Act of 1974 [ERISA]. This provision was added to the bill in order to ensure that pension plans who participate in the demonstration program maintain their fiduciary responsibilities under ERISA.

I would also like to introduce into the RECORD at this time a letter supporting H.R. 2668 from the chairman of the Education and Labor Committee, BILL FORD, and the chairman of the Subcommittee on Labor-Management Relations, PAT WILLIAMS.

The critical state of this Nation's low-income housing and community development needs requires us to find new and innovative ways of addressing this situation. While the Federal Government maintains a principal role and responsibility in this area, we must also facilitate private investment in the revitalization of our Nation's cities and other areas in need.

The legislation we are considering today—providing a minimal amount of HUD assistance to leverage investment by pension funds for the acquisition, construction, and rehabilitation of low-income housing—is a small but important beginning to this process.

I therefore urge the adoption of this legislation.

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON EDUCATION AND LABOR,  
Washington, DC, July 30, 1993.

Hon. HENRY B. GONZALEZ,  
Chairman, Committee on Banking, Finance  
and Urban Affairs, Rayburn House Office  
Building, Washington, DC.

DEAR MR. CHAIRMAN: We are pleased to join in supporting H.R. 2668, the Community Investment Demonstration Act of 1993. We applaud your efforts to establish this demonstration project and wholeheartedly support its social objectives.

We also appreciate your assistance and that of your staff as we negotiated the necessary amendment that would make it clear that participation by a pension fund in these types of investments had to be fully consistent with the fiduciary responsibilities governing all investments under the Employee Retirement Income Security Act of 1974 (ERISA). With the inclusion of the specific ERISA amendment in H.R. 2668, over which we had jurisdiction, the Committee on Education and Labor believes that any concern over either the security of workers' pensions or the soundness of the Pension Benefit Guaranty Corporation has been resolved. While the Committee insists on its jurisdiction over this section of H.R. 2668, we do not intend to exercise this claim in order to facilitate its immediate consideration.

Your acknowledgement of this jurisdictional claim by inclusion of this letter in your Committee report to accompany H.R. 2668 would be appreciated.

With kind regards,  
Sincerely,

WILLIAM D. FORD,  
Chairman, Committee on  
Education and Labor.  
PAT WILLIAMS,  
Chairman, Subcommittee on  
Labor-Management Relations.

Mr. Speaker, I reserve the balance of my time.

Mrs. ROUKEMA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2668, the Community Investment Demonstration Act of 1993.

This demonstration initiative would authorize HUD to provide section 8 assistance to housing projects where a pension fund would enter into a partnership with a nonprofit, municipality, or other entities to provide investment funds for the construction, acquisition, or rehabilitation of housing for low- and moderate-income families.

This measure had been a part of an earlier suspension bill passed by the House addressing several housing initiatives. However, the provision was withdrawn at the time because of several questions which arose about the proposal.

The most important of these questions involved the overall role of pension funds in performing social purposes and the safety of these types of investments for the funds.

Because these issues were pension related and not directly germane to the Housing Subcommittee or the underlying request for authorization, I felt a hearing by the Labor-Management Subcommittee may have been appropriate so that these questions could be discussed.

As the ranking member of the Labor-Management Subcommittee, the most important concern with this program was the efficacy of these types of investments by pension funds and the need to ensure, through statutory language, that nothing in this demonstration violated the rules and regulations of the ERISA laws which govern pension funds.

Short of a hearing, I asked the majority and minority staff to analyze the legislation and provide me any of their concerns for the safety and soundness of pension funds and whether or not ERISA laws could be circumvented by this legislation.

The Labor-Management staff and Members agreed that the program was conceptually sound because pension funds are already investing in housing projects in the private sector, but they recommended adding additional statutory language which would make it clear that ERISA laws could not be violated or circumvented in carrying out this program.

They also recommended, and I concur, that pension fund investments, in this demonstration, be limited to the purchase of securities supporting the project or that fund investments be

securitized. That clarifying language was added to the bill before the House as introduced by Chairman GONZALEZ and myself.

Our Housing Committee's principal concern in this matter is whether the use of pension funds to help meet the affordable housing needs of our citizens is practical and whether we should authorize HUD to consider participating in such a program.

Our other critical concern is that we not authorize any program which could

I believe the use of pension funds for housing investment may be a legitimate use of private funds leveraged by Federal housing assistance. This legislation is also constructed in such a way that I believe will not jeopardize the future of any pension fund.

Based on this, I advised Chairman GONZALEZ that since my principal concerns about the safety of the pension funds and the role of ERISA laws had been satisfactorily answered, I had no problem with this legislation.

Now, with respect to any issues beyond the safety of the pension funds, I do not believe these are significant or necessarily relevant to the Housing Subcommittee's decision to authorize this demonstration.

This initiative is a demonstration program designed to test the feasibility of using limited Federal rental assistance to leverage millions of dollars in private sector funds for housing.

This legislation does not mandate that any pension fund managers participate in this demonstration. A pension fund manager could not be directed to make investments in projects that would violate his fiduciary responsibilities.

The language in the bill, as recommended by the Labor-Management staff and Members, reiterates that point.

Members should keep in mind that this demonstration is designed to establish whether a nonprofit, or other entities, a pension fund, other investors, HUD, and the secondary market can put together a plan to provide affordable housing utilizing pension investments in a safe and sound manner. The success of any such partnership will depend on the total assessment of an application.

No funds under this demonstration go directly to any pension fund. The section 8 assistance provided by HUD is provided to the project itself through the project sponsor, usually a nonprofit. However, the provision of this assistance represents the steady stream of income which could make such a project attractive to a pension fund and the secondary market.

Mr. Speaker, I believe for these reasons, this initiative should be supported.

□ 1520

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding this time to me.

Mr. Speaker, it is being said that this is just a demonstration project. Well, this demonstrates a truly bad idea. Here is a bill that is a true example of the social welfare state run amok.

If you take a look at this particular idea, understand what we are doing is we are beginning the process of diverting pension fund money into public sector activities.

I think it needs to be understood that the last great investment pool left in the country is pension funds. Pension funds is where private business and entrepreneurs get the money they need for expanding their business. When companies want to find money to do large, new projects, it is into the pension funds that they are going to find the money that they need.

Now, what we have decided to do, evidently, under this bill is to begin to divert that money away from the private sector and into the public sector and make the pension funds into one new place where we can get all kinds of money for social welfare programs.

I think we ought to understand who it is that is at jeopardy here. The main pension fund that is going to be used for this money is the AFL-CIO pension fund. They are the only ones who have expressed any interest in this whatsoever.

I wonder how many union members out there in the country are going to feel good about their pension fund going into public housing rather than into going into investments to make their company more efficient, to make their company more productive.

I wonder how many of them are going to think that maybe keeping their own job and having their company do a little bit better job as a result of those investments would be a better idea than putting their pension money into public housing.

I wonder how many pensioners out there, AFL-CIO union pensioners, are also a little bit concerned about the fact that this is putting their money at risk, that money that they are counting on for their retirement or are already receiving in retirement is now going to be put at jeopardy in public housing projects.

This is not a protection of the assets of those folks. In fact, the main protection here sounds suspiciously like the S&L protection that we got a few years ago.

And so I think this is one truly bad idea, to take pension funds, divert them out of the private sector into public sector and end up jeopardizing the pension funds of union members and to jeopardize the retirement incomes of millions of pensioners across the country, seems to me to be something we ought to be demonstrating. As a matter of fact, this Congress ought to turn this down flat and say

this is one demonstration we ought not do.

Mr. GONZALEZ. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania [Mr. WALKER] in order to correct some misstatements. I do not believe the misstatements were made intentionally.

Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Let me say that the gentleman is entitled to his philosophical beliefs, naturally, like we all are. But when he states that only the AFL-CIO is interested, he misspeaks. And the reason is that we had hearings on this proposal, which was proposed by the Secretary of HUD, and during the course of the hearings and after the hearings we had four different organizations representing pension fund trustees who wanted to have more information and wanted to know if they desired to participate, could they?

□ 1530

So of course, under our bill, they can.

The witness we had at the hearing was the AFL-CIO pension fund committee trustee, or whatever, but that did not mean that this was construed with the specific or singular idea that the AFL-CIO pension fund would participate.

Second, this idea goes back to the 1980's and Secretary Sam Pierce's first intention announced to us to try to tap this reservoir that the gentleman very accurately reflects to be a substantial reservoir of capital. Secretary Pierce advanced a proposition that he never fleshed out, because he got immersed in other problems; but it was exactly along these general lines that he was thinking; that is, to divert capital from the pension fund resources for housing.

Mr. WALKER. Well, Mr. Speaker, if the gentleman will allow me to reclaim my time, let me say to the gentleman that I have here a statement from an actuary of the Committee on Education and Labor where I got my information.

He said:

Although any eligible pension fund is eligible for participation under the Demonstration Project, the AFL-CIO Investment Trust is the only pension fund at this time expressing any interest in participating in the demonstration.

Now, is the gentleman from Texas saying that this actuary is wrong?

The SPEAKER pro tempore (Mr. MORAN). The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. GONZALEZ. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania.

Mr. Speaker, will the gentleman yield?

Mr. WALKER. Yes, I yield to the gentleman from Texas.

Mr. GONZALEZ. Let me say, Mr. Speaker, that whatever source the gentleman just read from would not be acquainted with what our subcommittee has received by way of voluntary and interested parties who seek eventually to participate.

Let me assure the gentleman that what I said awhile ago is true. We have had no less than four other inquiries from organizations.

Mr. WALKER. Would the minority staff committee be familiar with that, with what the subcommittee has done now?

Mr. GONZALEZ. It all depends on what date that subcommittee had that.

Mr. WALKER. I have a memo here dated July 23 in which the minority staff also states that the investment trust fund is the only one that they know of.

Mr. GONZALEZ. Mr. Speaker, if the gentleman will yield, it is entirely possible that the minority staff was not aware of these contacts for information.

Mr. WALKER. So the staff at the Banking Committee is not aware, the actuary is not aware?

Mr. GONZALEZ. No, the minority staff.

Mr. WALKER. The Education and Labor Committee who looked at this is not fully informed?

We have some letters from people around the country who also seem to be saying the same thing. Are these developments within the last few hours that somebody else has come on board?

Mr. GONZALEZ. Mr. Speaker, if the gentleman will yield further, there was one other point that I wanted to clarify.

First, this is not anything new, novel or radical.

Let me relate just one experience to the gentleman. The former Secretary of HUD, Samuel Pierce, who certainly was no big friend of public housing or anything like that.

Mr. WALKER. I do not think this has anything to do with being a friend of public housing. What this has to do with is whether or not you think that private pension money ought to be held for entrepreneurial activity, whether we should begin by diverting that into public housing.

In my view, we will get far more benefit as a country out of that money in the private sector producing jobs than we will be diverting it into public housing. I mean, that is the problem here.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. GONZALEZ. Mr. Speaker, I yield such time as he may require to the gentleman from Massachusetts [Mr. FRANK], a distinguished member of the Committee on Banking, Finance and urban Affairs.

Mr. FRANK of Massachusetts. Mr. Speaker, I thank the committee chairman for yielding me this time.

Mr. Speaker, I appreciate the spirit in which the chairman and the ranking minority member have brought this bill out and have amended it to make it very clear that there can be no abuses.

I think one of the lines of criticism of the previous speaker banded into the other one. He said in the first place this would divert too much money from pension funds. Then he said that nobody but the AFL-CIO wants to use it.

Well, if in fact nobody but the AFL-CIO wanted to use it, it would not be diverting all that much money from the pension fund.

Let us be very clear. Nothing in this bill is mandatory. Nothing in this bill tells any pension fund what to do with its money. This is no public sector takeover of anything. This is the public sector responding to a request that did come from the AFL-CIO for doing a general bill, limiting the amount in the version that is before us that any one pension fund can have, and it says, "We will help you, if you want to do it."

Second, nothing in this legislation, and the gentlewoman from New Jersey is an expert in this field and made sure of that, nothing in this legislation relaxes one comma of any existing law governing pension funds. No fiduciary responsibility, no safeguards, none of that is relaxed.

In fact, that is why we have this bill. Some pension funds, like the AFL-CIO, said they would like to get into housing.

Now, the gentleman says, what about jobs? Well, some of us think that building housing is a job. The gentleman may not, but very few houses descend from heaven in perfect form. Mostly they need a little carpeting.

The fact is the AFL-CIO pension fund consists of some people who are in the building trades, and yes, very probably some of those in the building trades would want to use their pension funds for housing.

Now, the gentleman says that is a diversion from entrepreneurship. Well, if the people in the building trades want their pension funds to which they have contributed to go into projects where they can go to work, the gentleman from Pennsylvania my not like it, but it is not any of his business, because it is their pension funds.

We are not telling them to do anything.

He is right. This will not be what every pension fund, or even most pension funds will want. Therefore, he is wrong when he says it will be a major diversion from entrepreneurship.

Every restriction, every safeguard, every rule governing the safety and security of pension funds remains absolutely intact. That is why we have this bill.

What we are saying is that housing might be low-income housing, housing for people of moderate income, multi-family housing, might be considered too risky for pension funds given existing law.

So what does this bill do? It simply says that a certain percentage of section 8 already voted, it has not added a penny to the amount that is voted, it says the Secretary shall take some of the section 8 already voted and work with pension funds that want to get into the housing business to leverage that money so that it will reduce the risk.

It recognizes that pensions must be kept secure.

The gentleman said, well, what about these workers? They may be worried about their pension funds. They would be worried, and that is why without the section 8 they may not get into that kind of housing.

The purpose of this is so to some extent people in the building trade put their pension money into jobs that they will get, that will produce housing that we need and at no additional cost to the Federal Government, there will be that degree of security that allows them to go forward. That is what the bill does.

I frankly think that we have some people in the House who figure that if unions are involved, it must be a bad thing. People I think undercut their credibility if anytime we talk about anything with a union, somehow that is to be the cause of anathema.

We have some people who have said, "We would like to use our pension funds for housing and we would be willing to do it for low-income housing if you could help us bring down the risk."

So we are saying in this bill, okay, we will give you some of the section 8 already voted. That will bring this housing within the existing rules that govern pension funds. That is what the bill does and I hope it is agreed to.

Mrs. ROUKEMA. Mr. Speaker, I yield myself such time as I may consume.

For purposes of accuracy, I want to clarify something, since the reference that my friend and colleague, the gentleman from Pennsylvania made to a staff memo not under my direction, but my staff actuary wrote the memo.

Now, I want to say that I do not know on what basis the staff person made the statement that the AFL-CIO investment trust is the only pension fund at this time expressing interest. I do not know on what basis he made that statement. It may have been because of fragmentary information that was given to him by staff on the Banking Committee; but I want to assure my friend, the gentleman from Pennsylvania, that it was only fragmentary information. It was not meant, I am sure, by our actuary to deceive or misrepresent anything. It was the only information he had at that time.

Indeed, there are others who have inquired into the program as a possibility for their pension funds.

□ 1540

But the second point that I want to make, and I want to make this very clear because the gentleman from Pennsylvania implied that somehow we are not being precise about this, and we are opening up a new area to put pension funds in jeopardy, is I have worked long and hard to make sure that these pension funds, wherever they may come from, are going to be held to the same high standards as any other pension fund, and I do not like the intimation that somehow we have not done our job here. We have. We have put language, statutory language, in here that is even more demanding than what one might find in any other piece of legislation that deals with pension funds.

And, by the way, pension funds in the private sector are not always the most secure. We have got to be eternally vigilant on that, whether it is public or private, and I intend to be one that is not going to let anything more happen to the pension funds under PBGC insurance claims, and we are going to protect them against any jeopardy.

But finally, Mr. Speaker, I want to concur with the gentleman from Massachusetts [Mr. FRANK] who made the point, and I want to make it in my own way, that indeed, by leveraging these private funds and using section 8 assisted housing, this is not public housing in terms of public housing authorities. It is not. It is rental assisted housing through nonprofits and many private sector developers. Those are the people that are going to be using this. But giving the section 8 subsidies, leveraging it, probably gives more security in the secondary market than the vast majority of pension funds that are out there today investing in other private sector.

Now, Mr. Speaker, we can have a legitimate difference of opinion as to whether or not we get more leveraging or advantage from a direct private sector investment without using HUD section 8 leveraging. We can have that debate, but do not intimate that either the funds are being put at greater jeopardy than they are in the private sector, because they are not, or that we are not using the private sector, because private construction firms, private building trade groups and nonprofits are going to be the people that actually do the building. It is not public housing authority.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I appreciate the points the gentlewoman from New Jersey [Mrs. ROUKEMA] is making. I think we should

also make clear, because some have said housing may take certain things for granted, when we talk about the section 8 housing, these would not be, in many cases, buildings that were entirely section 8. It would be a mix of section 8 and at market rent so that, in fact, the whole community they are talking for housing would be benefited, but it would be a way to make sure that the lower income piece was included, but it would also leverage multiple family housing in general for which we have a great need.

Mrs. ROUKEMA. Mr. Speaker, I yield 3½ minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I appreciate the gentlewoman from New Jersey [Mrs. ROUKEMA] yielding this time to me, and I have some real reservations about this and concerns and questions about it. I do not think anybody in the country that has had a public housing project in their area is not aware of the fact that many of them have failed in the past. They have been destroyed, and people have moved out, and they have become a blight on the landscape, and many of them have been refurbished, and brought back into top form, and then destroyed again, and so there are some concerns that I have.

Loan guarantees through the Department of Housing and Urban Development would be that these pension plans would receive loan guarantees through the Department of Housing and Urban Development. In addition to that, section 8 rent subsidies for a period of 5 to 15 years to guarantee a steady flow of income to these projects. Well, let us say a project goes down the tubes and everybody loses out, like many of them have in the past. The government then is guaranteeing they are going to go ahead and pay the rents on that project for a period of time, and there would not be anybody in them. So, the taxpayers, in effect, will be paying rents for people that are no longer tenants.

There are three. Under this pension plan investment program it is going to be targeted to three areas: HUD distressed multifamily properties, low-income family projects that have already failed at least once, so they are going to go in and renovate projects in areas where they have failed once, and we are going to guarantee those rents in the event that people move out a second time, which is probably going to happen in many cases, and the Federal Government is going to pay for it, or the taxpayers are going to pay for it, this country is going to pay for it. Homeless construction, or rehabilitation for projects in Federal empowerment zones.

Now the people on our staffs that research this for us had this to say: These are very risky investments, and pension plans have no experience in managing public housing construction

or rehabilitation, and, second, these Federal loan guarantees would create a new Federal liability for risky, private sector investments, much like the S&L crisis. HUD would be required to issue regulations and guarantees that these would be safe investments—

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. No, I will not yield at this time.

However, savings and loan institutions have similar rules, and the Federal Government wound up in possession of billions of dollars' worth of defaulted projects.

Mr. Speaker, I think this is well-intentioned legislation. But if the project is rehabilitated or built, and it fails, the Federal Government, the taxpayers of this country, will be putting up a hundred million dollars to pay the rents on those projects until, I guess, they are rehabilitated a second time, and I think there is also some liability as far as the mortgage itself is concerned. I have been told by some of the staff people that it is going to be sold to Fannie Mae or Ginnie Mae, but there is still some Government support for those programs, and, if it goes down the tubes, once again the taxpayer will be paying a large part of the responsibility.

So, in addition, possibly, and I am not sure about this, but it appears to me there might be some risk to the pension funds that the members of this union are invested in, and we certainly do not want their pension funds to be at risk. Right now they are getting 9 to 11 percent a year return on those investments, but, in addition to that, I think there is a possibility that the Federal Government could be at risk and lose some money.

So, I think that this program should be looked at very, very closely, and it certainly should not be passed on suspension.

Mr. GONZALEZ. Mr. Speaker, I yield such time as he may consume once again to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, the gentleman from Indiana [Mr. BURTON] was flatly wrong on one of his central points. Nothing in this bill increases by one penny the financial exposure of the Federal Government. The problems he was talking about—

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. Mr. Speaker, the gentleman from Indiana would not yield to me, and I will not yield to him. I say to the gentleman that I was prepared to have the discussion with the gentleman, and he did not want to yield. He made a flatly wrong statement.

The obligations of which the gentleman was referring, to which he was referring, are already in existence in

the law. This bill does not authorize a single additional section 8 dollar. What it says is, of the section 8 dollars already authorized, of the obligations the Federal Government has already been appropriated to undertake, some of them may be used in conjunction with pension funds.

So, Mr. Speaker, there is no new financial obligation that will be undertaken by the Federal Government under this bill.

Yes, there are projects at risk. Yes, we have mortgages that we have increased that are defaulting. But those exist wholly independently of this bill. If this bill burned up tomorrow, every penny at risk would still be at risk. This does not increase the Federal Government's exposure in any way, shape or form. What it does do is to try to bring some private capital in in a way that has to meet the standards of existing pension laws. What it says is, giving these exposures, if a pension fund, and it might be a building trades pension fund, wants to come in and say, "If you give us the section 8's, we think we can make this work, and we're talking, by the way, not about public housing in the traditional form in most of these cases. We are talking about mixed housing, privately owned, some low income, and some moderate, and some market rate." But none of this imposes—the gentleman was describing some financial risk for the Federal Government. Sadly they exist. All of those are already out there. This would not implicate the Federal Government in one additional section 8 unit or one additional mortgage.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. Now I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Let me just say that one of the target areas is HUD distressed, multifamily properties, low-income housing projects that have failed at least once. So, let us say that we have a failed housing project. It has failed once, and they choose to go in and renovate that project after it has failed maybe once or twice. Now they are putting at risk taxpayers' money into the rent subsidy the gentleman is talking about.

Mr. FRANK of Massachusetts. No, the gentleman from Indiana [Mr. BURTON] is wrong because HUD already is stuck with that.

Now, I have yielded to the gentleman, and he has made his point, and he does not understand the program. The fact that HUD, in the first place, would not be taking under any new mortgage. This does not authorize HUD to write any new mortgage for these people. It simply gives some of the section 8's. HUD already holds the mortgages on those properties sadly. HUD guaranteed them. They failed. HUD had to step in. This does not deal with new mortgage insurance authority.

There would be no new assumption by HUD of any responsibility for this overall program. It simply allocates some of the section 8's to deal with already existing Federal obligations.

Mr. WILLIAMS. Mr. Speaker, I rise in support of H.R. 2668, the Community Investment Demonstration Act of 1993.

H.R. 2668 would set aside \$100 million from specified section 8 appropriated programs to permit the Department of Housing and Urban Development to create a demonstration project on behalf of low-income families residing in housing constructed, rehabilitated, or acquired through pension fund investments.

Because all private sector pension funds, including those established through collective bargaining, are covered under Employee Retirement Income Security Act of 1974 [ERISA], the Committee on Education and Labor has a keen interest in this bill.

Although H.R. 2668 is a bipartisan bill introduced by Chairman GONZALEZ and Representative MARGE ROUKEMA, I am aware that questions have been raised by some on the Republican side about the safety of these investments by pension funds.

Let me give you a bit of background on the issue.

I am chairman of the Subcommittee on Labor-Management Relations of the Committee on Education and Labor. My subcommittee has jurisdiction over ERISA. Serving as the ranking minority member on my subcommittee is the distinguished gentlewoman from New Jersey, Mrs. ROUKEMA. When Chairman GONZALEZ originally brought H.R. 2517, the Homeless and Community Development Amendments Act of 1993, to the floor several weeks ago, it contained a provision permitting investments by pension funds in a similar section 8 demonstration project. We asked our bipartisan staff to review the language in Chairman GONZALEZ' bill to determine whether there was any reason for concern about the safety of pension funds which might choose to participate in the section 8 housing demonstration project.

In order to avoid any ambiguity about the duty of the pension plan fiduciary to assure the ultimate security of these investments, the Committee on Education and Labor's chairman, BILL FORD, asked Chairman GONZALEZ to include language to clarify that ERISA's strong fiduciary protections would apply.

Chairman GONZALEZ included that language in his amendment to H.R. 2517 and it also included H.R. 2668.

For this reason, I believe that workers and retirees are fully protected by ERISA if their plans choose to make these investments and I support the bill.

□ 1550

Mrs. ROUKEMA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MORAN). The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 2668, as amended.

The question was taken.

Mr. BURTON of Indiana. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 2668, the bill just under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

#### INDIAN TRIBAL JUSTICE ACT

Mr. RICHARDSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1268) to assist the development of tribal judicial systems, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1268

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Tribal Justice Act".

#### SEC. 2. FINDINGS.

The Congress finds and declares that—

(1) there is a government-to-government relationship between the United States and each Indian tribe;

(2) the United States has a trust responsibility to each tribal government that includes the protection of the sovereignty of each tribal government;

(3) Congress, through statutes, treaties, and the exercise of administrative authorities, has recognized the self-determination, self-reliance, and inherent sovereignty of Indian tribes;

(4) Indian tribes possess the inherent authority to establish their own form of government, including tribal justice systems;

(5) tribal justice systems are an essential part of tribal governments and serve as important forums for ensuring public health and safety and the political integrity of tribal governments;

(6) Congress and the Federal courts have repeatedly recognized tribal justice systems as the appropriate forums for the adjudication of disputes affecting personal and property rights;

(7) traditional tribal justice practices are essential to the maintenance of the culture and identity of Indian tribes and to the goals of this Act;

(8) tribal justice systems are inadequately funded, and the lack of adequate funding impairs their operation; and

(9) tribal government involvement in and commitment to improving tribal justice systems is essential to the accomplishment of the goals of this Act.

#### SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "Bureau" means the Bureau of Indian Affairs of the Department of the Interior.

(2) The term "Courts of Indian Offenses" means the courts established pursuant to part 11 of title 25, Code of Federal Regulations.

(3) The term "Indian tribe" means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native entity, which administers justice under its inherent authority or the authority of the United States and which is recognized as eligible for the special programs and services provided by the United States to Indian tribes because of their status as Indians.

(4) The term "judicial personnel" means any judge, magistrate, court counselor, court clerk, court administrator, bailiff, probation officer, officer of the court, dispute resolution facilitator, or other official, employee, or volunteer within the tribal justice system.

(5) The term "Office" means the Office of Tribal Justice Support within the Bureau of Indian Affairs.

(6) The term "Secretary" means the Secretary of the Interior.

(7) The term "tribal organization" means any organization defined in section 4(l) of the Indian Self-Determination and Education Assistance Act.

(8) The term "tribal justice system" means the entire judicial branch, and employees thereof, of an Indian tribe, including (but not limited to) traditional methods and forums for dispute resolution, lower courts, appellate courts (including intertribal appellate courts), alternative dispute resolution systems, and circuit rider systems, established by inherent tribal authority whether or not they constitute a court of record.

#### TITLE I—TRIBAL JUSTICE SYSTEMS

##### SEC. 101. OFFICE OF TRIBAL JUSTICE SUPPORT.

(a) ESTABLISHMENT.—There is hereby established within the Bureau the Office of Tribal Justice Support. The purpose of the Office shall be to further the development, operation, and enhancement of tribal justice systems and Courts of Indian Offenses.

(b) TRANSFER OF EXISTING FUNCTIONS AND PERSONNEL.—All functions performed before the date of the enactment of this Act by the Branch of Judicial Services of the Bureau and all personnel assigned to such Branch as of the date of the enactment of this Act are hereby transferred to the Office of Tribal Justice Support. Any reference in any law, regulation, executive order, reorganization plan, or delegation of authority to the Branch of Judicial Services is deemed to be a reference to the Office of Tribal Justice Support.

(c) FUNCTIONS.—In addition to the functions transferred to the Office pursuant to subsection (b), the Office shall perform the following functions:

(1) Provide funds to Indian tribes and tribal organizations for the development, enhancement, and continuing operation of tribal justice systems.

(2) Provide technical assistance and training, including programs of continuing education and training for personnel of Courts of Indian Offenses.

(3) Study and conduct research concerning the operation of tribal justice systems.

(4) Promote cooperation and coordination among tribal justice systems and the Federal and State judiciary systems.

(5) Oversee the continuing operations of the Courts of Indian Offenses.

(6) Provide funds to Indian tribes and tribal organizations for the continuation and en-

hancement of traditional tribal judicial practices.

(d) NO IMPOSITION OF STANDARDS.—Nothing in this Act shall be deemed or construed to authorize the Office to impose justice standards on Indian tribes.

(e) ASSISTANCE TO TRIBES.—(1) The Office shall provide technical assistance and training to any Indian tribe or tribal organization upon request. Technical assistance and training shall include (but not be limited to) assistance for the development of—

(A) tribal codes and rules of procedure;

(B) tribal court administrative procedures and court records management systems;

(C) methods of reducing case delays;

(D) methods of alternative dispute resolution;

(E) tribal standards for judicial administration and conduct; and

(F) long-range plans for the enhancement of tribal justice systems.

(2) Technical assistance and training provided pursuant to paragraph (1) may be provided through direct services, by contract with independent entities, or through grants to Indian tribes or tribal organizations.

(f) INFORMATION CLEARINGHOUSE ON TRIBAL JUSTICE SYSTEMS.—The Office shall maintain an information clearinghouse (which shall include an electronic data base) on tribal justice systems and Courts of Indian Offenses, including (but not limited to) information on staffing, funding, model tribal codes, tribal justice activities, and tribal judicial decisions. The Office shall take such actions as may be necessary to ensure the confidentiality of records and other matters involving privacy rights.

##### SEC. 102. SURVEY OF TRIBAL JUDICIAL SYSTEMS.

(a) IN GENERAL.—Not later than six months after the date of the enactment of this Act, the Secretary shall enter into a contract with a non-Federal entity to conduct a survey of conditions of tribal justice systems and Courts of Indian Offenses to determine the resources and funding, including base support funding, needed to provide for expeditious and effective administration of justice. The Secretary, in like manner, shall annually update the information and findings contained in the survey required under this section.

(b) LOCAL CONDITIONS.—In the course of any annual survey, the non-Federal entity shall document local conditions of each Indian tribe, including, but not limited to—

(1) the geographic area and population to be served;

(2) the levels of functioning and capacity of the tribal justice system;

(3) the volume and complexity of the case loads;

(4) the facilities, including detention facilities, and program resources available;

(5) funding levels and personnel staffing requirements for the tribal justice system; and

(6) the training and technical assistance needs of the tribal justice system.

(c) CONSULTATION WITH INDIAN TRIBES.—The non-Federal entity shall actively consult with Indian tribes and tribal organizations in the development and conduct of the surveys, including updates thereof, under this section. Indian tribes and tribal organizations shall have the opportunity to review and make recommendations regarding the findings of the survey, including updates thereof, prior to final publication of the survey or any update thereof. After Indian tribes and tribal organizations have reviewed and commented on the results of the survey, or any update thereof, the non-Federal entity shall report its findings, together with

the comments and recommendations of the Indian tribes and tribal organizations, to the Secretary, the Committee on Indian Affairs of the Senate, and the Subcommittee on Native American Affairs of the Committee on Natural Resources of the House of Representatives.

#### SEC. 103. BASE SUPPORT FUNDING FOR TRIBAL JUSTICE SYSTEMS.

(a) IN GENERAL.—Pursuant to the Indian Self-Determination and Education Assistance Act, the Secretary is authorized (to the extent provided in advance in appropriations Acts) to enter into contracts, grants, or agreements with Indian tribes and tribal organizations for the performance of any function of the Office and for the development, enhancement, and continuing operation of tribal justice systems and traditional tribal judicial practices by Indian tribal governments.

(b) PURPOSES FOR WHICH FINANCIAL ASSISTANCE MAY BE USED.—Financial assistance provided through contracts, grants, or agreements entered into pursuant to this section may be used for—

(1) planning for the development, enhancement, and operation of tribal justice systems;

(2) the employment of judicial personnel;

(3) training programs and continuing education for tribal judicial personnel;

(4) the acquisition, development, and maintenance of a law library and computer assisted legal research capacities;

(5) the development, revision, and publication of tribal codes, rules of practice, rules of procedure, and standards of judicial performance and conduct;

(6) the development and operation of records management systems;

(7) the construction or renovation of facilities for tribal justice systems;

(8) membership and related expenses for participation in national and regional organizations of tribal justice systems and other professional organizations; and

(9) the development and operation of other innovative and culturally relevant programs and projects, including (but not limited to) programs and projects for—

(A) alternative dispute resolution;

(B) tribal victims assistance or victims services;

(C) tribal probation services or diversion programs;

(D) juvenile services and multidisciplinary investigations of child abuse; and

(E) traditional tribal judicial practices, traditional tribal justice systems, and traditional methods of dispute resolution.

(c) FORMULA.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary, with the full participation of Indian tribes, shall establish and promulgate by regulation, a formula which establishes base support funding for tribal justice systems in carrying out this section.

(2) The Secretary shall assess case load and staffing needs for tribal justice systems that take into account unique geographic and demographic conditions. In the assessment of these needs, the Secretary shall work cooperatively with Indian tribes and tribal organizations and shall refer to any data developed as a result of the surveys conducted pursuant to section 102 and to relevant assessment standards developed by the Judicial Conference of the United States, the National Center for State Courts, the American Bar Association, and appropriate State bar associations.

(3) Factors to be considered in the development of the base support funding formula shall include, but are not limited to—

(A) the case load and staffing needs identified under paragraph (2);

(B) the geographic area and population to be served;

(C) the volume and complexity of the case loads;

(D) the projected number of cases per month;

(E) the projected number of persons receiving probation services or participating in diversion programs; and

(F) any special circumstances warranting additional financial assistance.

(4) In developing and administering the formula for base support funding for the tribal judicial systems under this section, the Secretary shall ensure equitable distribution of funds.

#### TITLE II—AUTHORIZATIONS OF APPROPRIATIONS

##### SEC. 201. TRIBAL JUSTICE SYSTEMS.

(a) OFFICE.—There is authorized to be appropriated to carry out the provisions of sections 101 and 102 of this Act, \$7,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000. None of the funds provided under this subsection may be used for the administrative expenses of the Office.

(b) BASE SUPPORT FUNDING FOR TRIBAL JUSTICE SYSTEMS.—There is authorized to be appropriated to carry out the provisions of section 103 of this Act, \$50,000,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000.

(c) ADMINISTRATIVE EXPENSES FOR OFFICE.—There is authorized to be appropriated, for the administrative expenses of the Office, \$500,000 for each of the fiscal years 1994, 1995, 1996, 1997, 1998, 1999, and 2000.

(d) SURVEY.—For carrying out the survey under section 102, there is authorized to be appropriated, in addition to the amount authorized under subsection (a) of this section, \$400,000.

(e) INDIAN PRIORITY SYSTEM.—Funds appropriated pursuant to the authorizations provided by this section and available for a tribal justice system shall not be subject to the Indian priority system. Nothing in this Act shall preclude a tribal government from supplementing any funds received under this Act with funds received from any other source including the Bureau or any other Federal agency.

(f) ALLOCATION OF FUNDS.—In allocating funds appropriated pursuant to the authorization contained in subsection (a) among the Bureau, Office, tribal governments and Courts of Indian Offenses, the Secretary shall take such actions as may be necessary to ensure that such allocation is carried out in a manner that is fair and equitable to all tribal governments and is proportionate to base support funding under section 103 received by the Bureau, Office, tribal governments, and Courts of Indian Offenses.

(g) NO OFFSET.—No Federal agency shall offset funds made available pursuant to this Act for tribal justice systems against other funds otherwise available for use in connection with tribal justice systems.

#### TITLE III—DISCLAIMERS

##### SEC. 301. TRIBAL AUTHORITY.

Nothing in this Act shall be construed to—

(1) encroach upon or diminish in any way the inherent sovereign authority of each tribal government to determine the role of the tribal justice system within the tribal government or to enact and enforce tribal laws;

(2) diminish in any way the authority of tribal governments to appoint personnel;

(3) impair the rights of each tribal government to determine the nature of its own

legal system or the appointment of authority within the tribal government;

(4) alter in any way any tribal traditional dispute resolution forum;

(5) imply that any tribal justice system is an instrumentality of the United States; or

(6) diminish the trust responsibility of the United States to Indian tribal governments and tribal justice systems of such governments.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes, and the gentleman from Wyoming [Mr. THOMAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON].

#### GENERAL LEAVE

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 1268, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1268 establishes an Office of Tribal Justice Support within the Bureau of Indian Affairs to provide funds to Indian tribes for the development, enhancement, and continuing operation of tribal judicial systems. The Office shall provide training and technical assistance to any Indian tribe upon request.

The bill authorizes the Secretary with the full participation of Indian tribes to establish a base support funding formula for tribal justice systems. It authorizes the Secretary to enter into agreements to provide financial assistance to any Indian tribe to perform any function of the Office of Tribal Justice Support pursuant to the Indian Self-Determination Act. It also deletes any reference to tribal judicial conferences in the bill.

The bill requires the Secretary to contract with a non-Federal entity to make a survey of the conditions of tribal justice systems.

H.R. 1268 includes a disclaimer section which provides that nothing in the act shall be construed to encroach upon or limit the inherent sovereign authority of each tribe. It further provides that nothing in this act shall diminish the trust responsibility of the Federal Government to Indian tribes.

Mr. Speaker, this legislation will provide badly needed resources to Indian tribes to improve the administration of tribal courts and provide for the fair dispensation of justice in Indian country. This bill is very similar to the bill which the House passed last year and it reflects agreements reached with the Senate on bill language.

Finally, this measure is the result of years of study by the committees of

the House and Senate. The U.S. Commission on Civil Rights, after 5 years of exhaustive hearings on tribal courts and the Indian Civil Rights Act, found that for 20 years the Federal Government has failed to provide adequate resources for the operation of tribal justice systems. The Commission expressed its strong support for legislation to authorize spending for tribal courts in amounts equal to that of an equivalent State court and then provides for the equitable distribution of funds based on objective criteria. H.R. 1268 reflects the strong recommendations of the U.S. Commission on Civil Rights and the wishes of Indian country.

We worked closely with the Senate on this bill—this is a compromise. We could not agree last year on a bill.

We need to develop all forms of tribal justice systems, from having more public defenders, to training judges, to solidifying traditional tribal courts.

This bill will give the tribes the flexibility to improve their courts and establish justice in Indian country.

I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS of Wyoming. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1268, the Indian Tribal Justice Act, as amended by the committee.

The gentleman from New Mexico has adequately explained the provisions of the bill, so I will be brief.

It is clear that there is a real need for an increase in both the financial and technical support afforded to Indian tribal justice systems by this bill. Most tribal justice systems are woefully underfunded and, as a result, understaffed. Consequently, their ability to adequately serve the needs of the tribes and to uphold justice is undermined. Caseloads increase, backlogs develop, and enforcement of tribal laws and regulations lags.

Mr. Speaker, I am pleased that at markup the committee removed title II of the bill as introduced. The purpose of that title, to establish a Tribal Judicial Conference, seems to me to have been extremely ill-advised. First, a number of tribes have expressed serious concerns about the creation of such a conference. Second, the establishment of such a conference—either by the Congress or by the tribes with funding supplied by the Congress—creates yet another bureaucracy to accrue power at the expense of the tribes and to stand between the Federal Government and the tribes' governing bodies. In addition, creation of such a conference seems to me to put the cart before the horse. We need to address the day-to-day needs of tribal justice systems now, rather than siphoning off funds to create a burdensome new bureaucracy. It is my hope that the House will con-

tinue to oppose the establishment of such a conference.

Mr. Speaker, in closing I would like to recognize the important contributions that the two tribes in Wyoming—the Northern Arapaho and the Eastern Shoshone of the Wind River Reservation—have made toward the development of this legislation.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there are a number of tribes that have contributed enormously to the development of this legislation: the Navajo Tribe, the Pojoaque Pueblo, a number of Warm Spring tribes, Wind River, Grand Roads, as well as a number of tribal experts and academics from many universities around the country. They should be commended.

Mr. Speaker, again, this is important legislation for the native Americans. We need a strong tribal justice system. What we are talking about is not just some good structural changes that we are making in consultation with the tribes, but some needed resources.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico [Mr. RICHARDSON] that the House suspend the rules and pass the bill, H.R. 1268, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

#### AMENDMENTS TO ACT PROVIDING FOR EXTENSION OF CERTAIN FEDERAL BENEFITS TO PASCUA YAQUI INDIANS OF ARIZONA

Mr. RICHARDSON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 734) to amend the Act entitled "An Act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes."

The Clerk read as follows:

H.R. 734

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SOVEREIGNTY OF PASCUA YAQUI TRIBE.

(a) IN GENERAL.—Subsection (a) of the first section of the Act entitled "An Act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes" (25 U.S.C. 1300f(a)) is amended by inserting after the first sentence the following:

"The Pascua Yaqui Tribe, a historic Indian tribe, is acknowledged as a federally recognized Indian tribe possessing all the attributes of inherent sovereignty which have not been specifically taken away by Acts of Congress and which are not inconsistent with such tribal status."

(b) EXTENSION OF ENROLLMENT DEADLINE.—Section 3 of such Act (25 U.S.C. 1300f-2) is amended—

(1) in paragraph (B) by striking "and"; and  
(2) by redesignating paragraph (C) as paragraph (D) and inserting after paragraph (B) the following new paragraph (C):

"(C) all those persons of Yaqui blood who are citizens of the United States and who, within three years after the date of enactment of this paragraph, apply for enrollment in the Pascua Yaqui Tribe pursuant to the membership criteria and procedures provided for in the official governing documents of the Pascua Yaqui Tribe; and"

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Mexico [Mr. RICHARDSON] will be recognized for 20 minutes, and the gentleman from Wyoming [Mr. THOMAS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Mexico [Mr. RICHARDSON].

□ 1600

GENERAL LEAVE

Mr. RICHARDSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on H.R. 734, the bill under consideration.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from New Mexico?

There was no objection.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 734 clarifies the status of the Pascua Yaqui Tribe of Arizona. Although the tribe was recognized by the Congress on September 18, 1978, through Public Law 95-375, the Bureau of Indian Affairs has consistently taken the position that the tribe does not have all the powers of a sovereign tribal government. Even though regulatory rights are generally viewed as inherent among most federally recognized tribes, the BIA has established a distinction among tribes asserting that some tribes are historic and possess all sovereign rights and some tribes are created and have limited sovereign rights.

The position that the Pascua Yaqui Tribe is not a historical tribe is derived from several solicitors' opinions. The committee strongly disagrees with these distinctions and asserts that there are not degrees of tribal sovereignty and urges the Department to stop such limitations on tribal self-governance. H.R. 734 affirms that the Pascua Yaqui Tribe is indeed a historical tribe and can perform all the governmental functions of an Indian tribe. The Pascua Yaqui can trace their heritage back to the ancient Toltecs and are clearly a historic tribe.

Of particular importance to the tribe is the right to regulate law and order. The Bureau of Indian Affairs is denying the Pascua Yaqui the right to keep the peace on its reservation even though the State of Arizona has stated that the State has no jurisdiction. This bill fills that jurisdictional void and will allow the tribe to have the law enforcement its members deserve.

In addition to clarifying the recognition status of the Pascua Yaqui Tribe, H.R. 734 extends the enrollment deadline for membership in the tribe to 3 years after enactment. Mr. Speaker, this bill is very important to the Pascua Yaqui Tribe. It was passed unanimously by the committee and I urge my colleagues to support it.

Mr. Speaker, I would like to commend the efforts of the gentleman from Arizona [Mr. PASTOR], who represents this tribe, and also to a former Member of this body, the Honorable John Rhodes, who worked tirelessly for this legislation in years past.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS of Wyoming. Mr. Speaker, I yield myself such time as I may consume. I rise in support of H.R. 734, a bill to clarify the status of the Pascua Yaqui Indians of Arizona.

The gentleman from New Mexico has adequately explained the provisions of the bill, so I will be brief.

I disagree with the opinion of the BIA solicitor, and with the BIA's somewhat convoluted created versus historic dichotomy, which underlie this case and which we effectively overturn today.

Given the plenary authority of Congress over all facets of Indian affairs, it seems to me that on those rare occasions when we legislatively recognize a tribe—as we did with the Pascua Yaqui—we mean that acknowledgement to be full recognition unless we explicitly provide otherwise. I hope that the solicitor's office at the BIA will keep that in mind in the future.

In closing, I would like to recognize all the hard work my predecessor, former Congressman John J. Rhodes III of Arizona, did in working closely with the tribe to move this bill in the last Congress. Much of the credit for passage of this bill should go to him.

Mr. Speaker, having no further requests for time, I yield back the balance of my time.

Mr. RICHARDSON. Mr. Speaker, I yield 5 minutes to the author of this legislation, the distinguished gentleman from Arizona [Mr. PASTOR], whose jurisdiction encompasses this issue and this tribe.

Mr. PASTOR. Mr. Speaker, I would like to thank my friend and colleague, the gentleman from Mexico, the distinguished chairman of the Native American Affairs Subcommittee for yielding to me and pursuing this legislation with a great deal of interest and feeling.

Mr. Speaker, this is a modest bill. It does not propose radical change. It does not seek to amend a major public law. While simple in its scope, H.R. 734 is profoundly important for the Pascua Yaqui people. As the gentleman from New Mexico noted, this legislation will clarify the status of the Pascua Yaqui Tribe of Arizona and enable the people of the tribe to receive the full benefits of sovereignty to which they are rightfully entitled.

Let me point out, Mr. Speaker, so that there is no mistake in this Chamber, that this legislation does not circumvent the tribal recognition process. The tribe was recognized by this Congress in 1978, through Public Law 95-375. The Bureau of Indian Affairs, however, has established a distinction among tribes asserting that some tribes are historical and possess all sovereign rights and some tribes are created and have limited sovereign rights. This distinction cannot be found in the statutes; it is the creation of the BIA bureaucracy based on one 1936 Solicitor General's opinion.

Currently, the Pascua Yaqui people receive all the benefits of a federally recognized tribe. The BIA, however, has labeled the tribe created and has, therefore, denied the Pascua Yaqui people the full benefits of sovereignty. This bill simply seeks to establish the Pascua Yaqui Tribe as a historic tribe and end the years of injustice to which the Pascua Yaqui people have been subjected.

The Yaqui people have had a long and proud history in what is now the United States. It is a history of clans, villages, self-government, and the struggle of a collective people. It is time, Mr. Speaker, to acknowledge this history and the full sovereignty of the tribe.

Mr. RICHARDSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, my colleague from Arizona has eloquently explained the reason why we need to deal with this matter. An injustice has been done to the Pascua Yaqui Tribe.

Let me also say that there are a number of other tribes that we need to deal with their status in the days and years ahead. We need to reform the system at the Bureau of Indian Affairs that deals with federally recognized tribes. It is a very slow progress but one that we hope, with the gentleman from Wyoming, we can reform in the days ahead.

Mr. Speaker, I want to emphasize the outstanding work done by the gentleman from Arizona [Mr. PASTOR] and also from our colleague, the gentleman from Arizona [ENGLISH], who has inserted a statement in the RECORD but could not be here. She attended many of the hearings and expressed very strong support for this bill.

Ms. ENGLISH of Arizona. Mr. Speaker, I rise today in strong support of H.R. 734, a bill

to clarify the legal status of the Pascua Yaqui Tribe of Arizona as a historic tribe. Importantly, H.R. 734 would recognize the inherent sovereign status of the Pascua Yaqui Tribe and I urge my colleagues to vote in favor of this legislation.

The Pascua Yaqui Tribe is a federally recognized sovereign entity that has existed as a formal tribal government since time immemorial and yet an arbitrary classification by the Bureau of Indian Affairs would seek to limit their sovereign authority. By reaffirming the Pascua Yaqui Tribe's status as a historic tribe, H.R. 734 would dispel the misconception perpetuated by the BIA that the Pascua Yaqui Tribe has limited powers of self-government delegated by the Federal Government. The notion of delegated authority is inconsistent with settled principles of basic Indian law; namely that federally recognized tribes retain any inherent sovereign authority which has not specifically been divested by Federal law. There is no legal support for the BIA's created versus historic tribe distinction and the distinction must not be tolerated. The Pascua Yaqui Tribe is either sovereign or not sovereign; there is no middle ground.

The Pascua Yaqui Tribe currently exercises all functions of a sovereign tribal government, including the power to tax and otherwise regulate on its reservation, the power to establish tribal courts to govern Indians on the reservation and civil governance of Indians and non-Indians engaging in activities of the reservation, the power to contract with the Federal Government to assume primary responsibility under various health, education, and welfare programs, and the power to establish its own government, constitution, bylaws, and tribal codes. In other words, the tribe wants nothing more than to be treated as any other federally recognized tribe in the United States.

I urge my colleagues to vote in favor of H.R. 734.

Mr. RICHARDSON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Mexico [Mr. RICHARDSON] that the House suspend the rules and pass the bill, H.R. 734.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules. Pursuant to the provisions of clause 5, rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, August 2, 1993, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 2535, by the yeas and nays; and  
H.R. 2668, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

#### PRIORITY VA HEALTH CARE FOR PERSIAN GULF VETERANS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2535, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2535, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 411, nays 0, not voting 22.

[Roll No. 388]

#### YEAS—411

Abercrombie	Collins (MI)	Gilchrist
Ackerman	Combest	Gillmor
Allard	Condit	Gilman
Andrews (ME)	Conyers	Gingrich
Andrews (NJ)	Cooper	Glickman
Andrews (TX)	Coppersmith	Gonzalez
Applegate	Costello	Goodlatte
Archer	Cox	Goodling
Armey	Coyne	Gordon
Bachus (AL)	Cramer	Goss
Baesler	Crane	Grams
Baker (CA)	Crapo	Grandy
Baker (LA)	Cunningham	Green
Ballenger	Danner	Greenwood
Barca	Darden	Gunderson
Barclia	de la Garza	Gutierrez
Barlow	DeLauro	Hall (OH)
Barrett (NE)	DeLay	Hall (TX)
Barrett (WI)	Dellums	Hamburg
Bartlett	Derrick	Hamilton
Barton	Deutsch	Hancock
Bateman	Diaz-Balart	Hansen
Beilenson	Dicks	Harman
Bentley	Dingell	Hastert
Bereuter	Dixon	Hastings
Berman	Dooley	Hayes
Bevill	Doolittle	Hefley
Bilbray	Dornan	Hefner
Bilirakis	Dreier	Heger
Bishop	Duncan	Hilliard
Blackwell	Dunn	Hinchey
Bliley	Durbin	Hoagland
Blute	Edwards (CA)	Hobson
Boehlert	Edwards (TX)	Hoeckstra
Boehner	Emerson	Hoke
Bonilla	Engel	Holden
Borski	English (AZ)	Horn
Boucher	English (OK)	Houghton
Brewster	Eshoo	Hoyer
Brooks	Evans	Huffington
Browder	Everett	Hughes
Brown (CA)	Ewing	Hutchinson
Brown (FL)	Farr	Hutto
Brown (OH)	Fawell	Hyde
Bryant	Fazio	Inglis
Bunning	Fields (TX)	Inhofe
Burton	Filner	Inslee
Buyer	Fingerhut	Istook
Byrne	Fish	Jacobs
Callahan	Flake	Jefferson
Calvert	Foglietta	Johnson (CT)
Camp	Fowler	Johnson (GA)
Canady	Frank (MA)	Johnson (SD)
Cantwell	Frank (CT)	Johnson, E. B.
Cardin	Frank (NJ)	Johnson, Sam
Carr	Frost	Johnston
Castle	Furse	Kanjorski
Clay	Gallegly	Kaptur
Clayton	Gallo	Kasich
Clement	Gedden	Kennedy
Clyburn	Gekas	Kennelly
Coble	Geren	Killee
Collins (GA)	Gibbons	Kim
Collins (IL)		King

Kingston	Myers	Sisisky
Kiecicka	Nadler	Skaggs
Klein	Natcher	Skeen
Klink	Neal (MA)	Skelton
Klug	Neal (NC)	Slattery
Knollenberg	Nussle	Slaughter
Kolbe	Oberstar	Smith (IA)
Kopetski	Obey	Smith (MI)
Kreidler	Oliver	Smith (NJ)
Kyl	Ortiz	Smith (OR)
LaFalce	Orton	Smith (TX)
Lancaster	Owens	Snowe
Lantos	Oxley	Solomon
LaRocco	Pallone	Spence
Laughlin	Parker	Spratt
Lazio	Pastor	Stark
Leach	Paxon	Stearns
Lehman	Payne (NJ)	Stenholm
Levin	Payne (VA)	Stokes
Levy	Pelosi	Strickland
Lewis (CA)	Penny	Studds
Lewis (GA)	Peterson (FL)	Stump
Lightfoot	Peterson (MN)	Stupak
Linder	Petri	Sundquist
Lipinski	Pickett	Swett
Livingston	Pickle	Swift
Lloyd	Pombo	Synar
Long	Pomeroy	Talent
Lowey	Portman	Tanner
Machtley	Poshard	Tauzin
Maloney	Price (NC)	Taylor (MS)
Mann	Pryce (OH)	Taylor (NC)
Manton	Quillen	Tejeda
Manzullo	Quinn	Thomas (CA)
Margolies-	Rahall	Thomas (WY)
Mezvinisky	Ramstad	Thompson
Markey	Rangel	Thornton
Martinez	Ravenel	Thurman
Matsui	Reed	Torkildsen
Mazzoli	Regula	Torres
McCandless	Reynolds	Torricelli
McCloskey	Richardson	Towns
McCollum	Ridge	Trafficant
McCrery	Roberts	Tucker
McCurdy	Roemer	Unsoeld
McDade	Rogers	Upton
McHale	Rohrabacher	Valentine
McHugh	Ros-Lehtinen	Velazquez
McInnis	Rose	Vento
McKeon	Rostenkowski	Visclosky
McKinney	Roth	Volkmmer
McMillan	Roukema	Vucanovich
McNulty	Rowland	Walker
Meehan	Roybal-Allard	Walsh
Meek	Royce	Waters
Menendez	Sanders	Watt
Meyers	Sangmeister	Waxman
Mfume	Santorum	Weldon
Mica	Sarpalius	Wheat
Michel	Sawyer	Whitten
Miller (CA)	Saxton	Williams
Miller (FL)	Schaefer	Wilson
Mineta	Schenk	Wise
Minge	Schiff	Wolf
Mink	Schroeder	Woolsey
Moakley	Schumer	Wyden
Molinari	Scott	Wynn
Mollohan	Sensenbrenner	Yates
Montgomery	Serrano	Young (AK)
Moorhead	Sharp	Young (FL)
Moran	Shaw	Zeliff
Morella	Shays	Zimmer
Murphy	Shepherd	
Murtha	Shuster	

#### NAYS—0

#### NOT VOTING—22

Bacchus (FL)	Fields (LA)	McDermott
Becerra	Ford (MI)	Packard
Bonior	Ford (TN)	Porter
Chapman	Gephardt	Rush
Clinger	Hochbrueckner	Sabo
Coleman	Hunter	Washington
Deal	Lambert	
DeFazio	Lewis (FL)	

□ 1634

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MORAN). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

#### COMMUNITY INVESTMENT DEMONSTRATION ACT OF 1993

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill (H.R. 2668) as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 2668, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 309, nays 106, not voting 18, as follows:

[Roll No. 389]

#### YEAS—309

Abercrombie	Conyers	Gilman
Ackerman	Cooper	Glickman
Allard	Coppersmith	Gonzalez
Andrews (ME)	Costello	Goodling
Andrews (NJ)	Coyne	Gordon
Andrews (TX)	Cramer	Grandy
Applegate	Danner	Green
Baesler	Darden	Greenwood
Barca	de la Garza	Gutierrez
Barclia	DeLauro	Hall (OH)
Barlow	Dellums	Hamburg
Barrett (NE)	Derrick	Hamilton
Barrett (WI)	Deutsch	Harman
Bateman	Diaz-Balart	Hastert
Beilenson	Dicks	Hastings
Bentley	Dingell	Hayes
Bereuter	Dixon	Hefner
Berman	Dooley	Hilliard
Bevill	Durbin	Hinchey
Bilbray	Edwards (CA)	Hoagland
Bilirakis	Edwards (TX)	Hobson
Bishop	Emerson	Holden
Blackwell	Engel	Horn
Blute	English (AZ)	Houghton
Boehlert	English (OK)	Hoyer
Bonior	Eshoo	Hughes
Borski	Evans	Hutto
Boucher	Farr	Inhofe
Brewster	Fazio	Inslee
Brooks	Fields (LA)	Jacobs
Browder	Filner	Jefferson
Brown (CA)	Fingerhut	Johnson (CT)
Brown (FL)	Fish	Johnson (GA)
Brown (OH)	Flake	Johnson (SD)
Bryant	Foglietta	Johnson, E. B.
Byrne	Frank (MA)	Johnston
Camp	Franks (CT)	Kanjorski
Cantwell	Franks (NJ)	Kaptur
Cardin	Frost	Kennedy
Carr	Furse	Kennelly
Castle	Gallegly	Killee
Clay	Gallo	King
Clayton	Gedden	Kiecicka
Clement	Gephardt	Klein
Clyburn	Geren	Klink
Coble	Gibbons	Kopetski
Collins (GA)	Gilchrist	Kreidler
Collins (IL)	Gillmor	LaFalce

Lancaster	Oberstar	Skeen
Lantos	Obey	Skelton
LaRocco	Oliver	Slattery
Laughlin	Ortiz	Slaughter
Lazio	Orton	Smith (IA)
Leach	Owens	Smith (NJ)
Lehman	Oxley	Snowe
Levin	Pallone	Spratt
Levy	Parker	Stark
Lewis (GA)	Pastor	Stenholm
Lightfoot	Payne (NJ)	Stokes
Lipinski	Payne (VA)	Strickland
Lloyd	Pelosi	Studds
Long	Penny	Stupak
Lowey	Peterson (FL)	Sweet
Machtley	Peterson (MN)	Swift
Maloney	Petri	Synar
Mann	Pickett	Talent
Manton	Pickle	Tanner
Margolles-	Pomeroy	Tauzin
Mezvinsky	Poshard	Tejeda
Markey	Price (NC)	Thomas (WY)
Martinez	Quinn	Thompson
Matsui	Rahall	Thornton
Mazzoli	Rangel	Thurman
McCandless	Reed	Torkildsen
McCloskey	Regula	Torres
McCurdy	Reynolds	Torricelli
McDade	Richardson	Towns
McHale	Ridge	Trafigant
McHugh	Roemer	Tucker
McInnis	Ros-Lehtinen	Unsoeld
McKinney	Rose	Upton
McMillan	Rostenkowski	Valentine
McNulty	Roth	Velazquez
Meehan	Roukema	Vento
Meek	Rowland	Visclosky
Menendez	Roybal-Allard	Volkmmer
Mfume	Sabo	Walsh
Miller (CA)	Sanders	Walters
Mineta	Sangmeister	Watt
Minge	Santorum	Waxman
Mink	Sarpalius	Weldon
Moakley	Sawyer	Wheat
Molinari	Saxton	Whitten
Mollohan	Schenk	Williams
Montgomery	Schiff	Wilson
Moran	Schroeder	Wise
Morella	Schumer	Woolsey
Murphy	Scott	Wyden
Murtha	Serrano	Wynn
Nadler	Sharp	Yates
Natcher	Shays	Young (AK)
Neal (MA)	Shepherd	Zimmer
Neal (NC)	Siskisky	
Nussle	Skaggs	

# NAYS—106

Archer	Gingrich	Miller (FL)
Army	Goodlatte	Moorhead
Bacchus (AL)	Goss	Myers
Baker (CA)	Grams	Paxon
Baker (LA)	Gunderson	Pombo
Ballenger	Hall (TX)	Portman
Bartlett	Hancock	Pryce (OH)
Barton	Hansen	Quillen
Boehner	Hefley	Ramstad
Bonilla	Herger	Ravenel
Bunning	Hoekstra	Roberts
Burton	Hoke	Rogers
Buyer	Huffington	Rohrabacher
Callahan	Hunter	Royce
Calvert	Hutchinson	Schaefer
Canady	Hyde	Sensenbrenner
Coble	Inglis	Shaw
Collins (GA)	Istook	Shuster
Combest	Johnson, Sam	Smith (MI)
Cox	Kasich	Smith (OR)
Crane	Kim	Smith (TX)
Crapo	Kingston	Solomon
Cunningham	Klug	Spence
DeLay	Knollenberg	Stearns
Dickey	Kolbe	Stump
Doolittle	Kyl	Sundquist
Dornan	Lewis (CA)	Taylor (MS)
Dreier	Linder	Taylor (NC)
Duncan	Livingston	Thomas (CA)
Dunn	Manzullo	Vucanovich
Everett	McCollum	Walker
Ewing	McCrery	Wolf
Fawell	McKeon	Young (FL)
Fields (TX)	Meyers	Zelliff
Fowler	Mica	
Gekas	Michel	

# NOT VOTING—18

Bacchus (FL)	Deal	Lewis (FL)
Becerra	DeFazio	McDermott
Bliley	Ford (MI)	Packard
Chapman	Ford (TN)	Porter
Clinger	Hochbrueckner	Rush
Coleman	Lambert	Washington

□ 1654

The Clerk announced the following pair:

On this vote:

Mr. Bacchus of Florida and Mr. DeFazio for, with Mr. Porter against.

Messrs. KYL, YOUNG of Florida, and HOKE changed their vote from "yea" to "nay."

Mr. GALLEGLY changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

# PERSONAL EXPLANATION

Mr. CLINGER. Mr. Speaker, I was out of town and missed two recorded votes. I would like the RECORD to reflect that if I had been present I would have voted "yea" on Priority VA Health Care for Persian Gulf Veterans, H.R. 2535, rollcall No. 388 and "yea" on Community Investment Demonstration Act of 1993, H.R. 2668, rollcall No. 389.

# PERSONAL EXPLANATION

Mr. HOCHBRUECKNER. Mr. Speaker, due to being unavoidably detained, I was unable to record my vote on two bills. Therefore, I would like to take this opportunity to submit for the RECORD how I would have voted had I been present:

Rollcall No. 388, "aye."  
Rollcall No. 389, "aye."

# PERSONAL EXPLANATION

Mr. PORTER. Mr. Speaker, I was unavoidably detained in my district and missed Roll No. 388, H.R. 2535, the Priority VA Health Care for Persian Gulf Veterans Act, and Roll No. 389, H.R. 2668, Community Investment Demonstration Act of 1993. Had I been present, I would have voted for Roll No. 388 and against Roll No. 389.

# PERMISSION FOR MANAGERS TO FILE CONFERENCE REPORT ON H.R. 2348, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1994

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight, August 2, 1993, to file a conference report on the bill (H.R. 2348) making appropriations for the legislative branch for the fiscal year ending September 30, 1994, and for other purposes.

The SPEAKER pro tempore (Mr. MORAN). Is there objection to the request of the gentleman from California?

There was no objection.

# ANNOUNCEMENT OF OFFICIAL DEMOCRATIC OBJECTORS FOR PRIVATE CALENDAR, 103D CONGRESS

Mr. GEPHARDT. Mr. Speaker, I am pleased to announce that the official objectors for the majority side for the Private Calendar for the 103d Congress are as follows: The gentleman from Virginia [Mr. BOUCHER]; the gentleman from Maryland [Mr. MFUME]; and the gentleman from Connecticut [Ms. DELAURIO].

# ANNOUNCEMENT OF REPUBLICAN OFFICIAL OBJECTORS FOR PRIVATE CALENDAR, 103D CONGRESS

Mr. MICHEL. Mr. Speaker, for the Private Calendar, the Republican official objectors for the 103d Congress will be: the gentleman from Wisconsin [Mr. SENSENBRENNER]; the gentleman from North Carolina [Mr. COBLE]; and the gentleman from Virginia [Mr. GOODLATTE].

# LEGISLATIVE SCHEDULE

(Mr. GEPHARDT asked and was given permission to address the House for 1 minute.)

Mr. GEPHARDT. Mr. Speaker, I would like to engage the minority leader in a short colloquy to explain to Members the schedule for tomorrow.

I am about to ask for unanimous consent to adjourn to meet at 1 p.m. tomorrow.

Obviously, a number of Members will be traveling to Michigan for the funeral of our colleague, the gentleman from Michigan [Mr. HENRY].

I want to tell Members that we do not expect votes will be held here until about 3 o'clock in the afternoon, so that everyone can return, and I would think that we should be finished tomorrow about 6 o'clock.

Mr. MICHEL. Mr. Speaker, if the distinguished gentleman will yield, it is my understanding that the bus will leave in the morning around 7:30 or so and that we should be back by 2:30 at Andrews. That comports with the other things that we will be doing.

Any intelligence on when we might be dealing with the tax bill, the reconciliation bill? It was Wednesday when we talked last. Has it been delayed, or does the gentleman know?

Mr. GEPHARDT. I think we are targeting for a vote here on Thursday. We would like, if we can, if everything works in terms of the paperwork arriving on time, we would like to have a rule up and then a vote. There would be probably a couple of hours of debate. I would say the whole transaction could occur on Thursday, say between 10 in the morning and 4 in the afternoon.

Mr. MICHEL. Will the schedule for tomorrow be roughly the same as it was originally scheduled, except for appearing later in the day?

Mr. GEPHARDT. That is correct.

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

#### HOUR OF MEETING ON TUESDAY, AUGUST 3, 1993

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 1 p.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

#### REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 103-125)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

*To the Congress of the United States:*

I hereby report to the Congress on the developments since my last report of February 16, 1993, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and interests in property of the Government of Iraq (including the Central Bank of Iraq), then or thereafter located in the United States or within the possession or control of a U.S. person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons were also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Council Resolution 778 of October 2, 1992. Resolution 778 requires U.N. member states temporarily to transfer to a U.N. escrow account up to \$200 million apiece in Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq. These funds finance Iraq's obligations for U.N. activities with respect to Iraq, including expenses to verify Iraqi weapons destruction, and to provide humanitarian assistance in Iraq on a nonpartisan basis. A portion of the escrowed funds will also fund the activities of the U.N. Compensation Commission in Geneva, which will handle claims from victims of the Iraqi invasion of Kuwait. The funds placed in the escrow account are to be returned, with interest, to the member states that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the United Nations Security Council. No member state is required to fund more than half of the total contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders Nos. 12724 and 12817 (the "Executive Orders"). The report covers events from February 2, 1993, through August 1, 1993.

1. There have been no amendments to the Iraqi Sanctions Regulations during the reporting period.

2. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. These are intended to deter future activities in violation of the sanctions. Additional civil penalty notices were prepared during the reporting period for violations of the International Emergency Economic Powers Act and Iraqi Sanctions Regulations with respect to transactions involving Iraq.

3. Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to the Office of Foreign Assets Control's listing of individuals and organizations determined to be Specially Designated Nationals of the Government of Iraq.

4. Pursuant to Executive Order No. 12817 implementing United Nations Security Council Resolution 778, on October 26, 1992, the Office of Foreign Assets Control directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post-August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the order. On May 18, 1993, following the payment of \$1,492,537.30 by the Government of

the United Kingdom to a special United Nations-controlled account, entitled United Nations Security Council Resolution 778 Escrow Account, the Federal Reserve Bank of New York was directed to transfer a corresponding amount of \$1,492,537.30 from the blocked account it holds to the United Nations-controlled account. Future transfers from the blocked Federal Reserve Bank of New York account will be made on a matching basis up to the \$200 million for which the United States is potentially obligated pursuant to United Nations Security Council Resolution 778.

5. Since the last report, there have been developments in two cases filed against the Government of Iraq. Another ruling was issued in *Consarc Corporation v. Iraqi Ministry of Industry and Minerals et al.*, No. 90-2269 (D.D.C., March 9, 1993), which arose out of a contract for the sale of furnaces by plaintiff to the Iraqi Ministry of Industry and Minerals, an Iraqi governmental entity. In connection with the contract, the Iraqi defendants opened an irrevocable letter of credit with an Iraqi bank in favor of Consarc, which was advised by Pittsburgh National Bank, with the Bank of New York entering into a confirmed reimbursement agreement with the advising bank. Funds were set aside at the Bank of New York, in an account of the Iraqi bank, for reimbursement of the Bank of New York if Pittsburgh National Bank made a payment to Consarc on the letter of credit and sought reimbursement from the Bank of New York. Consarc received a down payment from the Iraqi Ministry of Industry and Minerals and substantially manufactured the furnaces. No goods were shipped prior to imposition of sanctions on August 2, 1990, and the United States asserted that the funds on deposit in the Iraqi bank account at the Bank of New York, as well as the furnaces manufactured for the Iraqi government or the process of any sale of those furnaces to third parties, were blocked. The district court ruled on December 29, 1992, that the furnaces or their sales proceeds were properly blocked pursuant to the declaration of the national emergency and blocking of Iraqi government property interests. However, according to the court, due to fraud on the part of the Ministry of Industry and Minerals in concluding the sales contract, the funds on deposit in an Iraqi bank account at the Bank of New York were not the property of the Government of Iraq. The court ordered the Office of Foreign Assets Control to unblock these funds, and required Consarc to block the proceeds from the sale of one furnace and to hold the remaining furnace as blocked property. On January 27, 1993, the Office of Foreign Assets Control complied with the court's order and licensed the unblocking of \$6.4 million plus interest to Consarc. On March 9, 1993, the court

affirmed its ruling in response to Consarc's motion to clarify the December 29 order and the Office of Foreign Assets Control's motion to correct the judgment to conform to the December 29 opinion. The Office of Foreign Assets Control and Consarc have each appealed the district court's ruling.

In *Brewer v. The Socialist People's Republic of Iraq*, No. 91-5325 (D.C. Cir., 1993) the United States Court of Appeals for the District of Columbia Circuit affirmed the district court's ruling denying appellant's motion to attach U.S.-located assets of the Government of Iraq and its state tourism organization. Following the holding of *Dames & Moore v. Regan*, 453 U.S. 654 (1981), the court upheld the power of the President to freeze foreign assets and prevent their attachment by private litigants in times of national emergency.

6. The Office of Foreign Assets Control has issued a total of 391 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Since my last report, 54 specific licenses have been issued. Licenses were issued for transactions such as the filing of legal actions against Iraqi governmental entities, for legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for humanitarian relief purposes.

7. The expenses incurred by the Federal Government in the 6-month period from February 2, 1993, through August 1, 1993, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are estimated at about \$2.5 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the U.S. Customs Service, the Office of the Assistant Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near East and South Asian Affairs, the Bureau of International Organizations, and the Office of the Legal Adviser), and the Department of Transportation (particularly the U.S. Coast Guard).

8. The United States imposed economic sanctions on Iraq in response to Iraq's invasion and illegal occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with United Nations Security Council resolutions, including those calling for the elimination of Iraqi weapons of mass destruction, the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third country nationals, compensation

for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, and the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait. The U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continued to violate basic human rights by repressing the Iraqi civilian population and depriving it of humanitarian assistance. The United Nations Security Council passed resolutions that permit Iraq to sell \$1.6 billion of oil under U.N. auspices to fund the provision of food, medicine, and other humanitarian supplies to the people of Iraq. Under the U.N. resolutions, the equitable distribution within Iraq of this assistance would be supervised and monitored by the United Nations. The Iraqi regime so far has refused to accept these resolutions and has thereby chosen to perpetuate the suffering of its civilian population. Discussions on implementing these resolutions resumed at the United Nations on July 7, 1993.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. Because of Iraq's failure to comply fully with United Nations Security Council resolutions, the United States will therefore continue to apply economic sanctions to deter Iraq from threatening peace and stability in the region, and I will continue to report periodically to the Congress on significant developments, pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, August 2, 1993.

#### VACATING SPECIAL ORDER AND GRANTING REQUEST FOR SPECIAL ORDER

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that my 60-minute special order for today be vacated and that I instead be granted a 5-minute special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

□ 1700

#### TRANSFER OF SPECIAL ORDER TIME

Mr. FARR. Mr. Speaker, I ask unanimous consent that on Wednesday, August 4, 1993, the gentleman from Michigan [Mr. DINGELL] be allowed to take the 60-minute special order previously granted to the gentleman from Illinois [Mr. LIPINSKI].

The SPEAKER pro tempore (Mr. BISHOP). Is there objection to the request of the gentleman from California?

There was no objection.

#### TRANSFER OF SPECIAL ORDER TIME

Mr. INHOFE. Mr. Speaker, I ask unanimous consent that on Wednesday, August 4, 1993, that I, the gentleman from Oklahoma [Mr. INHOFE], be allowed to take the 60-minute special order previously granted to the gentleman from Indiana [Mr. BURTON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### TRANSFER OF SPECIAL ORDER TIME

Mr. INHOFE. Mr. Speaker, I ask unanimous consent that on Wednesday, August 4, 1993, the gentleman from Michigan [Mr. UPTON] be allowed to take the 60-minute special order previously granted to the gentleman from New York [Mr. SOLOMON].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

#### WORRIED CITIZENS TACKLE NAFTA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland [Mrs. BENTLEY] is recognized for 5 minutes.

Mrs. BENTLEY. Mr. Speaker, people around the country are beginning to respond to the extension of remarks on the NAFTA issue. My office is receiving calls and letters from across the country expressing dismay at how comprehensive the agreement is—at the impact it will have upon our every day lives.

As an example, I want to share with you a news article sent to me by Ann Purcell from Topeka, KS, from the Topeka Capital-Journal of July 17, 1993: "Worried Citizens Tackle NAFTA."

In April, Nancy Purcell, a retired Topeka schoolteacher, sat down with a copy of the North American Free-Trade Agreement.

The pact is 3 inches thick and comprised of two volumes. The first is 600 pages, the second 500.

She had seen a newspaper advertisement about the treaty. It cost \$30 a copy and arrived in a brown cardboard box.

"The first week I just thumbed through it and tried to figure out what it was talking about," Purcell said.

"The next 2 weeks, I began to understand it and, I started studying it all day long."

Signing NAFTA was one of George Bush's last actions as President. Drawn up over several years, NAFTA is designed to place fewer restrictions in

trade among the United States, Mexico and Canada. The ratification process was held up a few weeks ago when a Federal judge ruled that the possible environmental effects of the treaty must be studied, which could take several months.

The endless paragraphs of legalese slowly began to come into focus for Purcell, painting a disturbing picture for her.

She continued studying the text through May and June, and was joined in the task by friends, many of whom are retired teachers.

"If I wasn't retired, I would never be able to find the time for it," she said.

"It's been a great time commitment. But I'm the type of person who has to continue to learn all through life. I can't just sit and watch soaps all day."

Each of her friends focused on a particular section and tried to gain a firm understanding of it.

Purcell's final assessment of the treaty was grave.

"It's giving our country away," Purcell said.

"I'm not concerned about myself; I'm worried about my grandchildren. If this becomes law, there won't be any jobs and the ones there will be won't pay enough to live on."

"The treaty clearly forces American employers to recognize foreign diplomas and hire foreign workers. And if they don't, they'll be tried by a multinational judicial board. We would be tried by foreigners."

To better understand the players involved and parties discussed in the treaty, Purcell began looking at news magazines and listening to radio programs. Her friends—including Janet Bisnette, Marge Bradshaw and Elizabeth Wilson—all became equally troubled and wrote their congressional representatives.

"I've got a whole box full of letters they've sent me," Purcell said. "(My Congressman) has a form letter he sends out—he has sent me five copies of the same, identical letter. I don't think many of our Representatives have read NAFTA."

"If it was such a good thing, they'd all be taking credit for it," Bisnette said. "As it is, they won't tell us anything."

The net effect of the treaty, the women said, is to open United States, Mexican, and Canadian markets to the extent that each country sacrifices regulatory control to unelected, multinational councils.

"This is a treaty which will effect every man, woman and child in this country," Wilson said.

"People need to find out what it is about and how it will change their lives."

Purcell said she is going to continue writing her representatives to sway their opinions."

Ms. Purcell and her friends have discovered an issue which could become a

major bone of contention—were enough people to become aware of it—that is the importation of skilled labor from Mexico, taking jobs away from Americans.

The model of the NAFTA on jobs creation seems to be blue-collar jobs will be exported, professional workers imported. Heads Mexico wins, tails we lose.

People like the Purcell sisters in Topeka are legion in every State in this Nation. If this House, this Congress thinks that the people who vote us into office have the wool pulled over their eyes on the cost of the NAFTA to them and their families, be warned.

The Purcell sisters and their friends convince me that they know more about the details of the NAFTA agreement—and its consequences—than many of the people walking around on this Hill.

And good for them. They are taking their responsibilities as American citizens very seriously. We should all be indebted to them—as I am—for their studious efforts and for the devotion they have shown to their country.

#### POLITICALLY CORRECT PAYZANT IS OUT IN LEFT FIELD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, one of the most important areas of Federal and State government, and local government, is education, and toward that end it is very important that the people who are nominated to positions of leadership and authority in education be the kind of people that we can entrust our children to, and I became very concerned today when I received some correspondence about a gentleman who is going to be nominated, or has been nominated, to the position of Assistant Secretary of Education for Primary and Secondary Education. His name is Dr. Tom Payzant, and he has been a controversial figure during this tenure as superintendent of the San Diego public schools. Some of Dr. Payzant's administrative decisions and views on such issues as gay rights and the Boy Scouts indicate that he is a very dangerous man for American parents who believe schools should be involved in education instead of social engineering, and the document that I am reading came from the Traditional Values Coalition that did the research on this.

In the spring of 1992, Dr. Payzant formed a task force "to look at issues that were of concern to members of the gay and lesbian community in San Diego,"—School Board Meeting, January 12, 1993. The group included members from radical homosexual groups such as Parents and Friends of Lesbians and Gays [PFLAG] and the Les-

bian and Gay Men's Community Center. The task force recommended that a clause banning discrimination against students and public school employees because of their sexual orientation be added to the school district policy. Dr. Payzant brought this to the school board in November 1992, which passed the recommendation unanimously in December, thereby granting special minority status to public school employees and students who choose to engage in homosexual behavior.

□ 1710

The Boy Scouts in San Diego ran programs for disadvantaged children in some inner-city schools. They worked with the children during the school day instead of after school because as one school board member asserted, "It was very difficult to get the kids to come after school or on Saturday," because of the violent environments in which they live—School Board Meeting, December 15, 1992. Boy Scout national policy does not allow homosexuals to be in leadership positions—that is den leaders—in order to provide positive male role models for many children who do not have one at home, as well as to protect the children from being victims of child molestation. This is understandable considering that in 1989 alone, 195 homosexual troop leaders were banned for sexually abusing boys—The Washington Times, June 15, 1993.

Dr. Payzant then stretched the new policy barring discrimination against homosexual employees and students to apply to private organizations that work with the public schools in order to advance another recommendation of his gay and lesbian friends. Dr. Payzant recommended that the Boy Scouts be barred from providing services during the school day, but be allowed, like other groups, to hold meetings after school. This would in effect, destroy the Boy Scouts' work by denying inner-city youth a safe environment in which to receive much needed remedial education. The board members passed the resolution with reservation. One board member felt that they had no choice because the Boy Scout policy conflicted with the previous policy Payzant had inflicted upon them, but conceded that "this hurts me because it hurts the boys." Dr. Payzant effectively promoted the gay rights agenda at the expense of the education of inner-city youth.

Dr. Payzant's own comments reflect his unabashed hostility toward the Boy Scouts:

Growing up in the late 1940's and early 1950's as a Boy Scout, I was taught the values of tolerance and inclusiveness and I find it rather ironic some 40 to 50 years later, that I am using what I learned as a Scout to challenge an organization that in the 1990's apparently doesn't understand that you can't

have values in conflict and mixed signals to send \* \* \* we can't tolerate an organization with that kind of policy working with young people."

What he is saying in effect is that if you do not want homosexual scoutmasters because of the record that has been alluded to previously, that there were 159 homosexual troop leaders that molested kids in 1989 alone, that you are out of step with society. I think he is dead wrong.

To read further, what sort of organization does Dr. Payzant endorse? During the same board meeting where he lobbied for his non-discrimination clause, Dr. Payzant responded to a question concerning future diversity training and curriculum by saying, "I think it was maybe two or three years ago where we did a workshop and some resource people from Project 10 in Los Angeles, and it became an event. And one of the things that I think is very clear now with this policy statement, it really gives credibility to the intent and seriousness of the School District with respect to this issue, and it will make it more possible for the staff and others to go forward in a 'pro-active' way with this kind of training."—School Board Meeting, November 11, 1992.

Project 10 is a radical-homosexual group which endorse pro-gay material like that of the infamous Rainbow Curriculum in New York City under then Superintendent Joe Fernandez, which was loudly rejected by parents in New York. Project 10 is based on the incorrect claim by the homosexuals that they make up 10 percent of the population. As of late, several scientific studies by the National Opinion Research Corp. and the Guttmacher Institute have revealed that in fact only about 1 percent of the population is exclusively homosexual. At a later meeting Dr. Payzant again showed his activist leanings for the gay rights agenda. Because of what happened to Joe Fernandez—he lost his job during the NYC Rainbow controversy—Dr. Payzant was hesitant to move too quickly on diversity issues but said, "I will be willing to take one step at a time \* \* \* I think it's going to take a little more time here in this community for people to take on that issue \* \* \*. But as we get the opportunity to provide more help and support for gay and lesbian students we'll do that,"—San Diego Human Relations Commission, February 17, 1993.

During the same meeting, Dr. Payzant revealed further anti-Christian bigotry and prohomosexual philosophy when discussing the response he has received from members of the San Diego community who disagreed with his homosexual and Boy Scout policy. "This kind of thing kind of brings you up and says there's a lot left to be done and there are a lot of folks out there who have got some pretty crazy ideas

about the world and how it works and in a perverse kind of way it kind of reinforces you and gives you a little more determination to push forward, and we've got a lot of work to do on that one in this community and in this country, and the various phobias that are out there are very, very strong indeed \* \* \*. I have had problems with people who can't even begin to acknowledge that there are differences in sexual orientation and that that's not just a matter of choice,"—San Diego Human Relations Commission, February 17, 1993).

Dr. Payzant's statements certainly indicate that moral, Christian Americans who believe that the Boy Scouts are an upstanding institution that provide a valuable service to the youth of this Nation and that homosexuality is a dysfunctional behavior which should be discouraged instead of promoted have "some pretty crazy ideas about the world." Even more frightening is that his twisted view of traditional Americans motivates him to challenge the values of America and move us away from our Judeo-Christian ethic which our great Nation was founded upon.

How does the nominee of what a 1992 U.S. News & World Report article stated to be one of the four most important positions to fill in the Nation, propose to induce this value-changing of America? Dr. Payzant has said of his approach, "What it all boils down to is attitude, and how willing people are to have their own attitudes confronted by others, who open their minds to the possibility of perhaps changing. I mean that you've got a group of people that have a very positive attitude about diversity and dealing with it and they know how to do it and they do it well, they're not uncomfortable about it. You've got another group of folks that think it's silly and crazy and they're not going to change, if they can help. And you've got a lot of folks, I think, in the middle who are willing to be educated and change learn, as long as you don't club them over the head and say, 'do it right now on my terms' that can be brought along. And that's the group that I'm optimistic about \* \* \*. But we've always got that rear guard out there that's fighting us every step of the way. And I don't know of anybody who's figured out a way to get them yet."—San Diego Human Relations Commission, February 17, 1993).

Dr. Payzant has also promoted school-based birth control centers and expressed more of this anti-Christian bias when commenting about Christian schools, "You don't learn science, history and government through an entirely religious background. It is not effective."—The Daily Oklahoman, March 29, 1982. Additionally, Dr. Payzant's administrative decisions conflict with his belief that, "Out soci-

ety has \* \* \* to impress upon young people that they really have to work hard to do well,"—LA Times, December 22, 1991. For instance, Dr. Payzant instituted a policy which banned the F grade and promoted elementary students who previously would have been held back, because he thought the traditional policies were harmful to their self-esteem. In other words, Dr. Payzant believes we should pass students not because of merit or hard work, but out of fear of hurting their feelings. A man with such a flawed philosophical base like Dr. Payzant should not fill a position that is considered to be one of the four most important in the Nation. It would be disastrous for American parents who send their children to school to be educated, not to be undermined by the politically correct philosophy of the education elite.

Mr. Speaker, I just want to say to my colleagues and anybody else that may be paying attention, that I was a Boy Scout, and I was a Cub Scout, and I know a lot of people who have been in Cub Scout dens and Boy Scout troops, and the traditional values and the Judeo-Christian ethic that we learned of God and country was very important to the foundation laid in many of our lives. Many of us came from broken homes, many of us came from very tough neighborhoods where there was a lot of crime and a lot of opportunity for getting in trouble, and the Boy Scouts of America in large part saved us from a fate that might have taken us into prison or worse.

Mr. Speaker, I just would like to say that to put somebody in as an Assistant Secretary of Education at the Federal level who believes that we ought to have homosexuals as Boy Scout leaders and Cub Scout leaders, when we know that there have been all kinds of violations perpetrated upon kids by the troop leaders across this country and in violation of what the Boy Scouts stand for, I think is a travesty. It is a travesty.

Some people have even banned the Boy Scouts. Some of the major corporations in this country have banned the Boy Scouts from getting contributions from their firms, even though they have given in the past, because they do not allow homosexuals to be troop leaders and have God in their creed. I say we are going a long way in the wrong direction when we start taking on the Boy Scouts of America because of their attitude of God and country and their moral attitudes.

So I would just say to the President, if he were here, Mr. Speaker, that I think this is a bad choice, a very bad choice for Assistant Secretary of Education, and he should withdraw it as soon as possible.

□ 1720

# APPOINTMENT AS MEMBERS OF FUNERAL COMMITTEE OF THE LATE HON. PAUL B. HENRY

The SPEAKER pro tempore. Pursuant to House Resolution 232, and on behalf of the Speaker, the Chair announces as members of the funeral committee of the late PAUL B. HENRY the following Members on the part of the House:

Mr. DINGELL of Michigan;  
Mr. MICHEL of Illinois;  
Mr. BONIOR of Michigan;  
Mr. GINGRICH of Georgia;  
Mr. CONYERS of Michigan;  
Mr. FORD of Michigan;  
Mr. KILDEE of Michigan;  
Mr. CARR of Michigan;  
Mr. LEVIN of Michigan;  
Mr. UPTON of Michigan;  
Mr. CAMP of Michigan;  
Miss COLLINS of Michigan;  
Mr. BARCIA of Michigan;  
Mr. HOEKSTRA of Michigan;  
Mr. KNOLLENBERG of Michigan;  
Mr. STUPAK of Michigan;  
Mr. SMITH of Michigan;  
Mr. MCDADE of Pennsylvania;  
Mr. REGULA of Ohio;  
Mr. GOODLING of Pennsylvania;  
Mr. MARKEY of Massachusetts;  
Mr. WALKER of Pennsylvania;  
Mr. LIVINGSTON of Louisiana;  
Mr. LEWIS of California;  
Mr. ROTH of Wisconsin;  
Mr. SENSENBRENNER of Wisconsin;  
Ms. SNOWE of Maine;  
Mr. THOMAS of California;  
Mr. PETRI of Wisconsin;  
Mr. EMERSON of Missouri;  
Mr. GUNDERSON of Wisconsin;  
Mr. SMITH of New Jersey;  
Mr. WOLF of Virginia;  
Mr. OXLEY of Ohio;  
Mr. BOEHLERT of New York;  
Mrs. JOHNSON of Connecticut;  
Ms. KAPTUR of Ohio;  
Mr. BARTON of Texas;  
Mr. CALLAHAN of Alabama;  
Mr. DELAY of Texas;  
Mr. FAWELL of Illinois;  
Mr. GALLO of New Jersey;  
Mr. KOLBE of Arizona;  
Mr. McMILLIAN of North Carolina;  
Mrs. MEYERS of Kansas;  
Mr. BALLENGER of North Carolina;  
Mr. GRANDY of Iowa;  
Mr. HASTERT of Illinois;  
Mr. HOUGHTON of New York;  
Mrs. MORELLA of Maryland;  
Mr. PRICE of North Carolina;  
Mr. McNULTY of New York;  
Mr. PAXON of New York; and  
Mr. FIELDS of Louisiana.

## MEDIA COVERAGE OF THE ARAB COMMUNITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, after seeing this week's cover of the New York-

er magazine, I feel I must speak out. The magazine portrays three young children at the beach building a sand castle of Manhattan. A fourth boy wearing an Arab headdress and sunglasses is shown pouncing on their version of the World Trade Center.

A number of organizations and individuals have expressed outrage over this damaging depiction of the Arab community. And they are right to do so.

The New Yorker issued a statement saying, "This is not a joke at the expense of Arab Americans. It's a joke about cultural stereotypes and about how children absorb them from television." This statement shows how little sensitivity the magazine has to this problem.

Mr. Speaker, this is no joking matter. Anti-Arab bias is very real—it is prevalent in our television programs, newspapers, and, yes, our magazines. A magazine claiming that it is "probably the best magazine ever" should do better than this.

It is my understanding that Albert Mokhiber, president of the American Arab Anti-Discrimination Committee has requested a meeting with the editor of the New Yorker. I hope this meeting takes place to open what is obviously a much-needed dialog between the magazine and the Arab-American community.

The New Yorker cover is just one example of an increasing trend of media bias since the World Trade Center bombing.

Recently, the Washington Post reprinted a cartoon from the Palm Beach Post titled "Let's Play Where's Abu." The cartoon continues, "In the crowd of immigrants below, the terrorist Abu Ben Fotwa El Fadwa El Fatweh is carrying a huge bomb strapped to his waist. Can you find Abu?"

Cartoons such as these are anything but funny to Arab-Americans. New York Transit policeman Mahamoud Tamer became the target of repeated slurs and humiliating jokes by his colleagues. Earlier this month, he took his own life with his service revolver.

Recently, there was one important exception to this trend of anti-Arab bias. A New York Times editorial called on Disney to remove offensive liens from a song in its movie "Aladdin." I ask permission to include in the RECORD, at the end of my statement, a copy of the editorial and commend it to the attention of my colleagues.

We have seen shameful periods of discrimination in our Nation's history. We saw it during World War II when Japanese-Americans were indiscriminately detained in concentration camps. We saw it during the gulf war when the FBI interrogated and harassed Arab-Americans solely on the basis of their ethnic background.

The overwhelming majority of the Arab-American community deplores vi-

olence of any kind, and particularly the World Trade Center bombing. Like most, Arab-Americans work hard to build a better future for themselves and their children, and believe deeply in our Nation's democratic principles. Like the Japanese-Americans, during World War II, there is no evidence that they as a community are involved in acts of terrorism.

It is during times such as these that our national character and conscience is tried. I urge my colleagues to work against these insidious prejudices that only serve to divide our society. And I call upon our Nation's editors, publishers, and producers to take responsibility for the products they sell—products which have an enormous influence on how we, and our children, form cultural stereotypes.

We must each do all we can—and the media has a special responsibility to ensure that all people are treated with dignity.

Mr. Speaker, I include for the RECORD the editorial to which I referred:

[From the New York Times, July 14, 1993]

IT'S RACIST, BUT HEY, IT'S DISNEY

Most Americans now know better than to use nasty generalizations about ethnic or religious groups. Disparaging stereotypes—the avaricious Jew, the sneaky Chinese, the dumb Irishman, the lazy black person—are now so unacceptable that it's a shock even to hear them mentioned.

Thanks to current international politics, however, one form of ethnic bigotry retains an aura of respectability in the United States: prejudice against Arabs. Anyone who doubts this has only to listen to the lyrics in a song from the animated Disney extravaganza "Aladdin":

Oh, I come from a land  
From a faraway place  
Where the caravan camels roam.  
Where they cut off your ear  
If they don't like your face  
It's barbaric, but hey, it's home.

Understandably, Arab-Americans are upset. They find it difficult enough that Saddam Hussein is the villain *du jour* and that terrorists from Arab countries have recently threatened New York. The difficulties mount when policemen in Iran imprison women for showing their hair, or mullahs issue death warrants against authors they consider blasphemous. But the ayatollahs of Iran don't represent all Arabs, nor all Muslims—just as sleazy televangelists don't represent all Christians, or all Americans.

Bowing to pressure from the American Arab Anti-Discrimination Committee, the Walt Disney Company has agreed to change two lines—the ones about cutting off ears—in the home video version of the movie, which will come out in October. The line "It's barbaric, but hey, it's home" will remain.

That's progress, but still unacceptable. To characterize an entire region with this sort of tongue-in-cheek bigotry, especially in a movie aimed at children, borders on barbaric.

Mr. DINGELL. Mr. Speaker, I wish to commend my good friend and our distinguished majority whip, DAVID BONIOR, for arranging today's special order on a topic of great importance to many people from my district.

I have the distinct pleasure to serve what is commonly recognized as the largest community of Arab-Americans in the United States. Like every other person I represent in my congressional district, Arab-Americans are busy raising children, running their businesses, getting involved in local civic, cultural, and religious organizations, and trying to make the most of the American dream.

Throughout the history of our Republic, the American dream has represented the sum of our citizens' hopes, ambitions, and struggles to build a better life for ourselves and our children. That is why I find it so tragic when a single ethnic group, already victimized by unfounded stereotypes, is subjected to ethnic slurs which punish an entire group for the acts of few.

What does it mean to be an American? For most of us, it means sharing the common bonds of tolerance, understanding, and compassion, rooted in ethnic diversity which has provided people the opportunity to make the most of their abilities—no matter what their roots. For most Arab-Americans, the struggle to enter the mainstream culture and add their talents to the community-at-large remains inhibited. I am concerned that anti-Arab bias is fortifying a wall of intolerance, with comments in both the print and broadcast media giving ammunition to those who wish to keep alive unwarranted prejudices.

Our democratic society places great emphasis on the freedom and self-reliance of the individual, as well as tolerance for those whose ancestry, culture, and religion is different than one's own. It is my hope that all who speak about any ethnic group remember the many accomplishments those groups have contributed to the American dream. Particularly at a time when the world is witnessing so much needless bloodshed based on age-old hatred and prejudice, our culture diversity stands as a symbol to the world that people can live together in peace.

Let us all work together to promote it.

#### IN OPPOSITION TO THE CLINTON TAX AND ECONOMIC PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 60 minutes.

Mr. WELDON. Mr. Speaker, I rise tonight and will probably not take the full hour, but I rise on the occasion of the week where we begin deliberating this massive tax and economic plan being proposed by President Clinton and to focus on an effort that I have been conducting for the last month to focus on specific concerns that have been brought to my attention by constituents in my congressional district back in Pennsylvania as well as from others around the country.

I have come out publicly and said that I cannot support the President's economic plan. In many areas, I have been supportive of the President.

The first major bill out on the House floor this year, the family and medical leave bill, I was a major supporter of. I worked hard for the passage of that

compromise legislation and, in fact, in a previous session of the Congress was the Republican coauthor of that bipartisan bill.

When the President is right, I will support him; when he is wrong and takes a wrong-headed approach, I will stand up, as I did back in 1990, when President Bush lobbied Members on our side very heavily to support what we said would be a misguided attempt at trying to bring the budget deficit under control and, along with that, contained a massive tax increase. I voted against President Bush back in 1990 in what was one of my most difficult votes and, as it turned out, one of my most correct votes.

I will vote against President Clinton this week as we bring the economic plan to the House floor for consideration.

I cannot support it for a number of reasons. It is not just because there are tax increases contained inside of the plan. I spent 10 years in local government before coming to Washington, 5 years as a local mayor and 5 years as a member and then chairman of a large county in Pennsylvania of some 600,000 individuals.

□ 1730

During my 10 years in local government, frequently we had to raise taxes to keep up with the increasing demands on service. I am not one that is going to stand in this body or in this well and say that I would just oppose this because it increases taxes on the American people. From time to time or when we have to increase services or when the cost of government increases beyond the revenues coming in, we have to raise additional revenues, but we should not be doing that until we have brought the size of this government under some type of control, as well as resolving the budget process in a way that makes sense. Neither of those two things have happened, and this plan will not accomplish either of them.

Contrary to all the rhetoric we are hearing, both out of the White House and from those people who are supporting the President's economic plan, we all know in this body that this will be a repeat of the 1990 fiasco. The taxes will increase. In fact, the plans that are being worked out now will retroactively increase those massive taxes to January 1 of this year, so the American people will pay the additional revenues for us to use here in Washington.

Unfortunately, as has been the case in the past, the budget cuts will never come. In fact, anyone who tears apart and takes away all of the rhetoric and looks at the substance of this plan understands that the largest cuts proposed in the President's economic plan come in the out years, the third, fourth, and fifth years of this economic plan. In fact, in some cases they come after the next Presidential election.

It is great for us to be talking about what we are going to do after the next Presidential election, but, as in the past, those cuts never come about. In fact, if we look at this plan, what worries us the most is that one of the strongest underpinnings to make this program successful is to cut defense spending by \$117 billion. That is one area where real cuts are being proposed over 5 years, and in fact, those cuts are taking place beginning in this year's defense bill which we are about ready to bring to the House floor.

Being a member of the Committee on Armed Services, I think we are moving too fast in terms of downsizing the military. I worked hard with our new chairman, the gentleman from California [Mr. DELLUMS], who I think did a commendable job in this year's markup process, and we did reach agreement on cutting a substantial number of defense spending for 1994 fiscal year.

However, if we listen to the leaders on both sides of the aisle, in the out years, if we listen to key Democrats who work defense issues day in and day out, people like the gentleman from Pennsylvania [Mr. MURTHA], and Senator SAM NUNN, they are saying publicly what many of us are saying, that these projected \$117 billion in cuts over 5 years will never materialize.

If leaders of the President's own party who are very well respected on defense issues are not really confident that we can achieve the level of cuts that the President is saying are necessary, then not having those cuts will totally undermine the President's 5-year economic plan, because he will then have to cut other areas of entitlement.

My feeling is that because of the proposed level of defense cuts and the fact that I do not think they are going to take place, the economic plan is doomed to failure. What also bothers me is if we look at and analyze these cuts in detail, many of them are nothing more than smoke and mirrors. That has been done very well by the national media.

I look at the fact if we take away the defense cuts which are going to occur in the 1994 defense bill, the only other significant cuts that will occur in this first fiscal year in terms of the 5-year plan are actually obtained by using an accounting gimmick to shift the reimbursement dates for hospitals from a fiscal to a calendar year basis. Everyone knows that in fact is not a cut, it is simply an accounting game, the kind of thing we have done so frequently here in Washington in the past.

However, what has frustrated me most about this debate are my colleagues who come to the well and even in the administration that constantly talk about how this plan is in fact going to create jobs and how it is going to be a job stimulator in terms of new job creation. What is interesting is the

fact that the administration claimed initially that the Clinton budget would result in 8 million jobs, which is actually 1 million below what the Congressional Budget Office said would be the job creation over the next 5 years under our current policies.

The Clinton economic plan, in using its estimate of 8 million jobs created, is actually 1 million jobs lower than what the Congressional Budget Office has said would occur anyway, even without the Clinton plan being proposed by President Clinton.

Many of my colleagues have stood in the well here and in the other body and they have talked about how this plan is going to stimulate small business and how it is going to help companies grow and expand.

I think instead of listening to the rhetoric here in Washington, we should be listening to those people who are out there running the small businesses and providing the jobs for the American people. That is what I have done over the last month in a series of special orders that began several weeks ago. I have focused on individual companies who have written to me about the real impact of the Clinton economic plan if it were passed on their business and on the jobs they have created and the jobs they would like to create.

I can say, Mr. Speaker, the sentiments coming from the constituents both in my district and those in Pennsylvania and the tristate region who have written to me, have all been negative. In fact, it is kind of interesting to look at one Member's mail coming into his office. In my office, the mail since the President first announced his economic plan back in January has generated over between 3,000 and 4,000 individual contacts, both in the form of letters.

For the first 2 months after the President spoke here in our joint session, the numbers are running 3 to 1 against the President's economic plan. In some parts of the country they are running neck-and-neck, but in my district the communications were running 3 to 1 against the plan.

Then the reconciliation bill came to the House floor. Since the reconciliation bill came to the House floor and constituents and business leaders have had a chance to analyze the reconciliation package in detail, the mail has shifted coming into my office so it has been running approximately 20 to 1 against the President's economic plan.

I have held a number of town meetings throughout my district over the past several months. On one Saturday afternoon I had joint meetings with our colleague, the gentleman from Pennsylvania [Mr. WALKER] in West Chester, where we had 200 people come out for that town meeting, and then in media, where I was joined by my colleagues, JIM SASSER and the gentleman

from Delaware [Mr. CASTLE], to speak with about another 250 people. Not one person in either of those town meetings came out to say they were in favor of the President's economic proposal and economic plan. In fact, there were some very hostile comments from people who were very upset with what was being proposed.

Over the last several weeks, in looking at the specific letters and cards and phone calls coming to the office, I thought it important to pull some of those out and submit them into the CONGRESSIONAL RECORD, because these are real people. These are not politicians inside the beltway here in Washington who want to get a certain political plan passed. These are people who are taxpayers, and in many cases, people who have created and provided jobs for thousands and tens of thousands of people, not just in my congressional district but throughout Pennsylvania, throughout the tristate, New Jersey, Delaware, Pennsylvania, area, and really throughout America.

I want to go back and review some of those letters and some of that correspondence, because these are in fact from real people. I received a letter from Spike Yoh, the chairman of the board of Day & Zimmerman, one of the largest engineering firms in America. Day & Zimmerman has 12,000 employees around the country, and they focus on doing the engineering work for companies that want to expand and provide new buildings, put in new machine lines, a new operating line. They oftentimes are brought in for the expansion activities planned by companies.

Spike Yoh wrote to me back in June. He talked about how they started out this year feeling as though it was going to be a positive year, that there were many orders for the consultant services that D & Z provides, that would indicate to him that there was going to be economic growth throughout America.

Then he said the prospects of higher taxes came into play with the President's State of the Union Address. As a result of that, there has been a total halt to economic growth in the companies that Day & Zimmerman consults for and consults with.

□ 1740

And what that means is that the jobs that were going to be created by those companies who had planned to expand their operations, to put up new buildings, and to grow their own individual companies are now not going to take place.

I would like to read some of the quotes from Spike Yoh's letter. Here is what he said to me in that letter that he wrote to me just a month or so ago, and I quote, "Orders were starting well this year, but they've now been put on hold while clients have taken a wait-and-see attitude about the impact of

the President's economic plan and soon-to-be-announced health care program. Those of you in the Congress may not be aware of the breaking effect that these two huge unknowns are having on the willingness of business leaders to commit to investment right now. Capital projects in the private sector have all but stopped. Expansion, improvement, and modernization projects seen as essential to keeping American business competitive in world class markets have been shelved."

Then he goes on to say later on in his letter where he talks about what we are attempting or the Congress is going to do in cooperation with President Clinton, and he said, "The simple truth is that jobs are not created through the transfer of capital from the private sector to the public sector. Let us not follow the lead of New Jersey," he says, "which is now suffering terribly. History has repeatedly proven that economic growth is not fueled by higher taxes."

Now this is Spike Yoh, the chairman of a company that is oftentimes on the cutting edge of businesses growing and expanding, who is telling us in Washington that this plan that President Clinton is going to go on national TV tonight and talk about impacting jobs and economic growth is going to have the reverse impact on the economy. And in fact, is already costing us jobs.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. WELDON. I am happy to yield to my friend and colleague, the gentleman from California.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding. I would like to congratulate him on taking out this special order. I would like to make a couple of comments.

First of all, it was rather strong in the letter from Mr. Yoh that clearly he has an understanding of what it is going to take to create jobs and get this economy moving. My State of California is suffering greatly. Defense and aerospace cuts and a wide range of other things that have happened to our State have had a very, very negative effect on our economy.

It seems to me that as we have looked at this we have had proponents of the President's plan argue, as we would in behalf of growth. They say they want to put into place a growth component to ensure that the private sector plays a key role in creating jobs, and yet, based on every shred of empirical evidence that we have, this proposal will move us in the opposite direction.

There are a couple of people who have said, and it has come out in the media over the last several months that those of us on this side of the aisle have simply tried to block the proposal that President Clinton and the majority has made, and I have said here time

and time again that nothing could be further from the truth. I have introduced H.R. 1885, and I think my friend from Pennsylvania is a cosponsor of that legislation, which does four very simple and basic things designed to address the problem to which Mr. Yoh referred in his letter.

First, it brings about a reduction in the capital gains tax from 28 percent down to 15 percent. Second, it puts into place a moratorium on new regulations to be imposed on the business sector of the economy. We all recall when under the Bush administration a 90-day moratorium on new regulations was put into place. I have yet to hear of any tragedies that came about because of that 90-day moratorium on new regulations. Those new regulations obviously play a big role in hindering job creation and economic opportunity.

The third component is a freeze on Federal spending, basically the 2-percent solution, which would allow us to increase at only a 2-percent rate present programs. And we have been told time and time again on this floor about the budgeting process here whereby you can have a 3-percent increase, and yet have that is interpreted as a spending cut based on the budgeting process that we have. So that is the third aspect of it.

The fourth aspect is one which reinstates and expands individual retirement accounts so that people can put dollars aside, plan for retirement and utilize them, withdraw in instances of first-time buyers of a new home, or medical payments, or for education, and those three exceptions are provided.

It seems to me that H.R. 1885 addresses the kinds of concerns, and is a positive Republican-based alternative to this issue which we have before us. And as I say, my friend is correct in pointing this out. But tragically, many people like to argue that we are simply trying to block this plan, and we are not. We are offering positive alternatives in the area of spending cuts and economic growth. The American people should be aware of that. Our colleagues on both sides of the aisle should be aware of it.

In just a few minutes I am going to be specifically addressing the issue of capital gains differential and the role that that will play in creating the kind of economic growth which Mr. Yoh and others of your constituents and my constituents want to see put into place. And I thank my friend for yielding.

Mr. WELDON. I thank my colleague for those very important points. And I am a cosponsor of that initiative.

My colleague has brought up a very important point, and that is this plan does nothing to address the need to encourage the private sector to save money, to provide the capital for new investment. And our colleague's plan

would in fact do that, especially through the use of the IRA's, as he outlined to us, as well as the changes in the capital gains, and most significantly in controlling the size and growth of the Government.

The thing I hear most frequently from my constituents is control the Government. Now we look across America and we have seen private corporation after corporation downsize, and shrink the fat, and try to save money to make it leaner and tougher in terms of doing business. But we in the Federal Government have never downsized our operation. The beltway is filled with career bureaucrats, many of them making salaries far higher than what private sector managers make. And we have never attacked the issue in an aggressive way of downsizing the growth of this Government, and that has got to be a key part of anything that we do.

I would say to my colleague, following up on his comments about people criticizing us as Republicans for not providing alternatives, we have done that. We have done it repeatedly. And this is nothing new, the initiative we are talking about in opposing President Clinton. And it is not because he in fact is a Democrat. As I started out my comments I said the toughest decision for me was in 1990 when I opposed my Republican President because the approach he was taking was wrong. I told him at that time that the leadership in this institution would not agree to the deficit-cutting provisions that were contained in that 5-year plan, and in fact that is exactly what happened.

What is kind of ironic, however, is that I understand that \$44 billion of the cuts that President Clinton is counting in his current 5-year plan program were actually contained in the Bush program from 1990. They have just been pushed out further in terms of time period.

Let me go to a second letter that is very telling. We have heard frequently that the economic plan, the tax increases that have been proposed will not hurt middle-income Americans. They are really only going to hurt the wealthiest of the wealthy. I pointed out last week that Money magazine, the August issue which came out had the front page headline, on the front cover, the bold headline which was "How To Avoid the Largest Tax Increase," and it had eight pages of very specific things that wealthy Americans could do in terms of their portfolios to shift their money and their investments so that they would not be hit by the massive tax increases proposed by the Clinton economic plan.

Unfortunately, middle-income Americans do not have that opportunity. Senior citizens cannot run away from the income tax increase, or the tax increase that they are going to see which is being called a cut, by the way, in the

Clinton plan. Small businesses cannot run away by sheltering their investments and their income. So middle-income America is in fact going to be hit in a very severe way.

But I think one key way that middle-America is going to be hit is summed up by the president, James Pinciotti, of the Fleming Companies. The Fleming Companies are headquartered in King of Prussia, PA. Mr. Pinciotti wrote to me on May 28 of this year. I summed up this letter in a previous 1-minute, but I want to go through it again, because I think he points up another way that the American middle-income taxpayer is going to pay the bill for this plan, contrary to what we are going to hear tonight on the national broadcast when President Clinton goes before the American people.

Fleming happens to be America's leading food distributor. I quote, "We purchase, warehouse and distribute a full line of groceries, meat, fruits, vegetables, dairy products, delicatessen items, frozen food, and nonfood items to more than 4,800 food stores in 36 States."

□ 1750

"We are the supplier to 1 in every 10 supermarkets in the country." So this company, based in King of Prussia, PA, supplies the food to 1 in every 10 food stores in America, and he goes on to say that their industry as a whole is very competitive, characterized by high gross sales and minuscule net margins. Net margins in 1992, Fleming's sales, totaled \$13 billion with net earnings of just over \$113 million, or less than .09 cents per dollar of sales.

He goes on to talk about the American food distribution system, how efficient and effective it is, and then he comes back to talk about what the proposed increase in taxes will do in terms of his company, but more importantly, on those people who shop in those supermarkets where his company supplies the food, and that is the important part of his letter. Because what he says is that the costs are simply going to be passed on to the American consumer.

He goes on to talk about the Btu tax, which may or may not be a part of the President's plan. He said that if that were passed, it would cost Fleming 9.2 percent of their reported net earnings. An increase in the corporate tax rate would be over and above that number.

He then goes on to talk about if this proposed Clinton tax plan is in effect passed this week and becomes law, he says that the retail establishments that he supplies will be forced to increase the costs associated with these hidden energy taxes and other taxes directly onto the American consumer.

So an important thing for us to talk about here on the House floor is that it is not just the cost of direct taxes that the American people will be paying for

it is the indirect costs such as those that are going to be borne by Fleming Industries in supplying all of those food markets that are going to cause the prices of those food items to be increased on the shelf to the American consumers. So it is a hidden cost in terms of increased outlays for the American family to be paid as a result of this Clinton tax plan.

Another area that is important for us to understand, and it is also a hidden area where this tax will be felt, is in local government. I mentioned earlier that for 10 years I served as a local mayor and a county commissioner in a rather large county. One of my township managers from Haverford Township, Tom Banner, wrote to me on May 27 of this year. He talked about the hidden cost of any energy tax contained in this plan on local governments, because one of the things that many of our colleagues are not aware of is that local government will not be exempted from the energy costs that are passed along in this tax plan.

There was a study done by the Joint Committee on Taxation that estimated State and local government will pay 13 percent of the new Federal revenues generated by energy taxes. Now, who pays for that energy tax provided in the amount of 13 percent of the total amount raised? It is the taxpayer again.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. WELDON. I am happy to yield to the gentleman from California.

Mr. DREIER. I would like to underscore that once again, so it seems to me that based on the analysis my friend has just provided of this proposed tax increase, the American people will be actually paying twice, because they first pay themselves for this burden, and then they pay taxes to their local and State governments, and then those State and local governments are shouldering the burden of paying those taxes on top of that.

Am I correct?

Mr. WELDON. That is exactly right. They are not exempt. So we are not just talking about cities and towns and townships and counties. We are talking about school districts. We are talking about authorities. We are talking about all of those public entities that are able to charge levies on American taxpayers as well as those taxing bodies that are able to charge property taxes and earned income taxes on the American taxpayer who is already going to be burdened by this additional tax included in the Clinton tax plan.

One of the things you will not hear President Clinton talk about tonight is the double taxation, taxes that are passed along to local government that also cause local property taxes to be raised to help pay this added amount.

Mr. DREIER. I do not know if the State of Pennsylvania is undergoing

the same kind of fiscal constraint the State of California is, but I know that the State and the local governments in my area are extraordinarily strapped.

We have just had members of a city council recalled because they imposed a utility tax, and there is a high level of frustration and a concern about this level of expenditures, and this double-taxation proposal is something which obviously is going to really hit home if it is implemented.

Mr. WELDON. And the gentleman is absolutely correct. That is why it is so unfair, when supporters of this plan talk about how it is only going to tax the wealthy. It is not going to only tax the wealthy. It is going to tax directly and then indirectly and then indirectly again every American consumer, every middle American and lower income American who buys food in the grocery store, not just drives their car, but who pays property taxes, who pays income taxes, and all of those things have to be considered, because that is what is going to be included when we vote on this measure this week in this body.

I want to refer to another letter. This one is from Thomas French, and this was written on June 29 to me. Thomas French is president of the Owosso Group, a conglomerate of 12 small manufacturing firms headquartered in West Conshohocken, not in my district, but in the neighboring district of my good friend and colleague, the gentlewoman from Pennsylvania [Ms. MARGOLIES-MEZVINSKY].

Most of the firms in this group are small subchapter S corporations that file personal tax returns. It is important for us to understand what the Clinton tax plan will do in terms of impact on subchapter S corporations. He goes on to say, "They will be hit with a new top marginal rate of 42.5 percent up from the current rate of 31 percent." That is a dramatic increase. He goes on to say that it should be noted that these subchapter S corporations employ 800 people and have created more than 200 jobs since 1989, yet what the President wants to do is raise the taxes on these companies that have created new jobs, 600 jobs in the last 4 years, and what he goes on to say is, and this is George Lemon, the chief financial officer of the Owosso Group, is, "These taxes will mean that we will take fewer risks. We will make fewer investments, and we will have less working capital. This tax package now under consideration will kill this fragile economic recovery."

Another consumer, another taxpayer, another individual who has been creating jobs, putting in his feelings in terms of this economic plan.

And then I have another letter that came from a growth firm in Exton, PA, not in my district, but in the district of my colleague and neighbor, the gentleman from Pennsylvania [Mr. WALKER], in Chester County, in his district,

in Exton. Mr. Kronenberg formed the ECS Group back in 1979. At that time he had 13 employees in his company. Today that same company has 218 employees, one of the fastest growing firms in Pennsylvania, focusing on environmental restoration, hazard mitigation, and environmental cleanup.

He talks about the extensive health care package and benefits plan that he has for his employees, all 218 employees. What he said to me in his letter, and this is Bill Kronenberg, the president and CEO of ECS, is that if this plan is passed, "What we will do is rethink our benefits package. It will force us to diminish the amount of benefits that we provide to our employees and will cause us to put a hold on hiring any new employees." Then he goes on to talk about even beyond this plan the negative impact that health care taxes and the cost of health care reform could have beyond what is contained in the Clinton economic plan that we are going to vote on this week.

Another letter comes from a John Lieberman, president of Lieberman Realtors in Wayne, PA. He talks about individuals that he works with. He talks about the challenges facing small business, health care costs, Federal and State overregulation. Here is his quote in his letter to me dated July 20, 1993, "Raising taxes will not solve this problem, only aggravate it." He goes on to talk about some of the clients that he has worked with and how they have told him they will not be expanding their operations, will not be creating new jobs if and when this Clinton tax plan is passed and becomes law.

And another one I did last week is from one of the board members of the largest small-business advocacy groups in the tristate Philadelphia region, over 5,000 small businesses. This is the same group of individuals and people that President Clinton talks about so frequently that he is going to help. The Small Business Association of Delaware Valley has over 5,000 members in Delaware, southern New Jersey, and Pennsylvania. One of their board members and leaders is Steve Markowitz. He wrote to me recently about the impact that this plan will have on the 5,000 small businesses that belong to the SBADV, and he writes, and I quote, as follows:

□ 1800

"Our members need to convey to you the distressed state of the entrepreneurial segment of this country." The cause of this distress? The soak-the-capitalist mentality of the Clinton administration.

He goes on to describe the impact of these tax hikes which they are going to have on small businesses in the region. These are members of the group, "a small business in Wayne will offset the anticipated corporate tax increase by reducing payroll 18 percent. A physician in Montgomery County will be reducing staff. Our own organization has

made a decision to have a zero increase in payroll for at least 12 months, this after increasing from 21 to 37 employees in just 19 months."

Mr. Speaker, these are real companies, real employers. These are not Members of Congress trying to score political points. These are people who employ real Americans, who are saying that if this plan goes through, these are the steps they are going to take.

Then, Mr. Speaker, I have some letters that I would like to put into the RECORD this evening.

The first is from the Hale Fire Pump Co. in Conshohocken, PA. This is from Joe Bruckner, director of human resources, Hale Fire Pump Company.

He talks about the impact that these taxes, tax increases, are going to have on their company. He cites a number of examples:

The Clinton Administration frightens businesses and has a negative effect on business expansion. Specific issues that concern me are: municipality and government organizations that have severely restricted discretionary spending, impacting on the demand for rescue equipment and related accessories by local rescue service agencies; the impending threat of an expanded energy tax, which increases the costs of doing business, in domestic as well as international markets; the lack of control on Federal Governing spending for social entitlement and pork-barrel-type programs. This will continue to stifle business expansion and exert a negative influence on new job creation; the impending fear of rampant inflation, so well controlled under the presidencies of Ronald Reagan and George Bush, is another concern due to the substance and direction of Clinton's proposals; the lack of any real improvements in the balance-of-trade deficits, despite Clinton's widely touted "successful trade talks;" and the reluctance to hire. We at Hale, and many other businesses, now avoid hiring additional people until absolutely necessary, pending positive direction to the economy.

Then he asks me:

Congressman Weldon, whatever actions you and your colleagues in the Congress can do to minimize the negative impacts of Clinton's progressive liberal economics on the business community and to help protect and sustain the industrial base that has made this Nation so great will be appreciated by all Americans.

This is another business chiming in with their concerns over this plan.

I go on to talk about IMPAC, a company located in Exton, PA, Precision Media Duplication and Software Packaging. He writes and says,

On behalf of small business everywhere, I urge you to vote "no" on the Clinton tax-and-spend economic proposal. I agree completely that we need to significantly reduce the deficit, but I think that objective can best be achieved through a program of deep spending cuts and by providing stimulus through growth incentives to encourage business development and growth, not by increasing our tax burdens during these most difficult of times.

This letter is signed by James Freed, president.

Mr. Speaker, in fact, I would say most of our colleagues would want us

to cut spending first and then look at any revenues that we might have to raise to allow the budget to come into balance, but not put the taxes first and increase the revenues and put off the difficult spending cuts until 3, 4, 5 years down the road.

Another company, Gallagher Fluid Seals. He says,

Dear Mr. Weldon: As a small-business owner, I am opposed to the President's "deficit reduction proposal." I feel the tax increases that are a part of the bill will have a negative impact on our business. It could jeopardize our current work force in addition to eliminating the need for additional personnel for the foreseeable future. I urge you to vote "no".

This is signed by Joseph W. Gallagher, president of Gallagher Fluid Seals.

Next we have a letter from the Chemical Leaman Tank Lines in Exton, from John Kilcullen, president and chief officer:

I urge you to oppose the fuel tax proposal, in the President's economic plan because of the impact on the trucking industry and the impact on the businesses they provide nationwide in terms of transporting chemicals from one corporation to another.

He goes into detail talking about the negative impact that these taxes will have on the ability of Leaman Tank Lines to be able to provide cost-effective service for these corporations to use.

I also have a letter from Garvin R. Kissinger, vice president of Mid-Atlantic Keystone AAA. He says in his letter, which is dated July 29:

Dear Congressman Weldon: As you know, budget talks between congressional and White House officials are now talking place. It appears that a new 9-cent Federal tax on gasoline could be part of the reconciliation package. It is our belief that such a gas tax increase—

Is not warranted, and he goes on to cite the reasons.

This new tax will represent a 64 percent increase, if it was raised the 9 cents per gallon, although we are now talking about 4.5 cents, over the current 14.1 cent Federal gas tax. This deficit reduction gas tax is on top of a 56 percent increase in the tax that occurred in 1990. Combined with expected increases for Federal oxygenated and reformulated gasoline mandates and other State and local taxes, pump prices may be 20 cents higher per gallon by 1995.

And our President has the audacity to go to the American people and say it is only going to cost the average family about \$30 per year. I do not know where the White House is getting its numbers from.

He goes on to say in this letter:

A recent AAA survey indicates over 70 percent of the voting public rejects the notion that fuel taxes should be used for deficit purposes.

My next letter is provided by Libby Beatty, president of Pinton-Kelley Co. in Philadelphia. She says:

I am writing to you regarding the President's tax reconciliation bill. As president of

a small commercial printing company in Philadelphia, I have experienced the following: The confusion over the eventual effects of the proposed energy tax has inhibited and delayed expansion decisions; the perceived increase in cost structure to be brought on by the proposed tax increases has resulted in further preemptive staff reductions to maintain already-shrinking profitability. Congressman Weldon, please direct your efforts toward minimizing the negative effects of tax increases on the small-business owner.

Now, Mr. Speaker, we have heard time and again Members come to this well and say small business is going to benefit from this package. Yet what I am giving you today is example after example, in fact I have no examples of small business owners writing to me saying they want this plan to be passed; everyone who has written to me has said it is going to hurt them. In fact, most of them, as I have reported here, that even the possibility or the potentiality of having tax increases is already costing jobs.

Another letter from Anthony J. Ferrante, president of Durant Medical, Inc., from Malvern, PA:

Dear Congressman Weldon, I own a small business in Malvern, Pennsylvania, and I am writing this letter to bring to your attention concerns that I have with the future of the economy. I have found it increasingly difficult to maintain proper bank and vendor relationships due to the Government budgetary problems. These problems filter down and directly affect my company, and in turn, my employees.

He goes on to say:

We have got to take the tax burden off the small business, not put more on them.

Mr. Speaker, I include here a letter from the vice president of the Rose Brier Inn, Inc., in Philadelphia, PA, in the northeast section, a letter from Chuck Lewis. He is vice president of the Rose Brier Inn Restaurant. As we know, the plan proposed by President Clinton is not just going to affect large corporations; it is going to affect small business; it is going to affect restaurants and the hospitality industry very substantially.

Mr. Speaker, I yield to the gentleman from California.

Mr. DREIER. I thank the gentleman for yielding.

Is that the same Chuck Lewis who worked diligently here in the Capitol in both my friend's office and my office?

Mr. WELDON. The same, that is the same Chuck Lewis.

Mr. DREIER. I just wanted to make sure. I am sure it is a great letter. He is out making an honest living.

Mr. WELDON. He is writing—and I know the gentleman from California [Mr. DREIER] will be interested in this because I know that they were good friends—he is also writing in his capacity as the chairman of the Philadelphia and Delaware Valley Restaurant Association Legislative Committee. That committee has 500 members of the restaurant and hospitality industry in the

Delaware Valley area. Chuck is their legislative committee chairman. He writes to us to talk about the status of the restaurant industry and how they have been hurt so dramatically by the stagnation of our economy.

□ 1810

Chuck's Restaurant, 1 year ago employed 88 people. Today he says that they employ 64.

He said, "Quite frankly, if we didn't have such a loyal group, we could cut another 5 employees with no difficulty."

I go on to quote Chuck:

I say this not to "belly-ache" but to let you know this is not the time to take up the cost of doing business or pass legislation which will inhibit sales.

Our members by and large do not look to the federal government for public assistance, but we do not expect our government to put up obstacles to our success either. Measures like the current tax plan are killing initiative.

Let me repeat that line again.

Measures like the current tax plan are killing initiative.

We should be looking to limit government not expand its hold on our economic lives. No one is eager to incur the anxiety of new growth or expansion when our economic future is so in doubt. As a result, the industry is less able to employ those in our society least able to afford losing their jobs: women, often single mothers, and minorities.

Estimates we have compiled show 165,000 people will lose their jobs if the meal deduction is dropped from 80% to 50%. For many of the remaining small businesses in Philadelphia, the meal deduction is the only remaining reasonable marketing tool.

Additionally, please be aware that the federal government is not the only government entity erected obstacles to economic growth. This year we in Philadelphia have experienced an additional 1% sales tax. We have been fighting a 10% sales tax on liquor, beer and wine here in Philadelphia City Council. We narrowly defeated the measure by a vote of 9-8. We have incurred increases of 38% in worker compensation costs. Our business taxes have increased as well. The President's health care initiative will destroy what is left of our bottom line.

Mr. Speaker, I include the letter from Charles G. Lewis, as follows:

ROSE BRIER INN, INC.,  
Philadelphia, PA, July 22, 1993.

HON. CURT WELDON,  
House of Representatives, 2452 Rayburn House  
Office Building, Washington, DC.

DEAR CURT: I wanted to contact you on the President's tax plan to let you know how damaging I feel it would be for the economy and, in particular, the restaurant industry. I also write in my capacity as the Chairman of the Philadelphia Delaware Valley Restaurant Association (PDVRA) Legislative Committee. The PDVRA has 550 members in the Delaware Valley.

The restaurant industry has been flat in almost every measurement of industry health. We in the Northeast, have been experiencing the decline even more so than in other quadrants of the United States. Many of the most productive and substantial of our members have experienced significant declines in sales and certainly in profitability. My restaurant operation one year ago today

employed 88 employees; today we employ 64 employees. Quite frankly, if we didn't have such a loyal group, we could cut another 5 employees with no difficulty.

I say this not to "belly-ache" but to let you know this is not the time to take up the cost of doing business or pass legislation which will inhibit sales.

Our members by and large do not look to the federal government for public assistance, but we do not expect our government to put up obstacles to our success either. Measures like the current tax plan are killing initiative. We should be looking to limit government not expand its hold on our economic lives. No one is eager to incur the anxiety of new growth or expansion when our economic future is so in doubt. As a result, the industry is less able to employ those in our society least able to afford losing their jobs: women, often single mothers, and minorities.

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On that note, restaurant industry profit margins under any measurement are at their historical low point. My father who retired in 1979 would close a restaurant which did not return a net profit of at least 15% for all the hours and commitment required. Today, the most profitable among us boast of a profit margin of 2-4%.

For many of us, the government suggests that we who have succeeded in employing largely unskilled labor must be punished and have what little is left over confiscated and redistributed through a central government. Government by deed tells us we are evil and only government is honorable and interested in our community. Government under this plan is telling us raising taxes is a much more noble and desirable decision than cutting non-essential programs and perks. Many of our members are disheartened and feel relegated to a position of economic slavery. Daniel Webster's lament comes to mind: "Now is the time that men work quietly in the fields, and women weep softly in the kitchen; the legislature is in session and no man's property is safe."

Thank you for taking the time to read this lengthy letter. I hope you will keep us in your thoughts and vote NO on the President's plan.

Sincerely,

CHARLES G. LEWIS,  
Vice President.

Mr. Speaker, another example of another business leader telling us that this plan that we are going to vote on this week is not going to help create jobs, and in fact it is going to take jobs away from this fragile economy.

But it is not just businesses, it is individuals. Many of those 3 to 4,000 constituents who have written to me are individual citizens. Many of them are

senior citizens who have said to me, "Why are you penalizing us who saved our money when we were working? We had a small nest egg we put aside. We were very frugal. We didn't go out and waste the money that we made, and we are now entitled to Social Security and what little savings we have set aside, and what you want to do is increase our taxes."

So what the seniors have said to me is that we want to impose costs to them basically because of their being so frugal while they were working. That is completely outrageous and unfair.

Many of the communications I have received, Mr. Speaker, are from individuals, individuals like Joseph Dimailo from Strafford, PA, who wrote to me on July 1 of this year. He talks about the examples set for us by most European countries over the past 40 years as stated by the enclosed article from the Wall Street Journal. He talks about those countries that implemented higher taxes to support State-controlled businesses, health care and ever-higher levels of social support services, and talks about what was in the Wall Street Journal article, and I will include it in the RECORD so my colleagues can share that, and he talks about the problems that European countries are having because of these costs that have been passed along to the taxpayers.

He goes on to cite the lessons learned. He says we must reduce the size and influence of the Federal Government at all levels. We must lower Federal taxes, not raise them, especially on investment and capital gains, which my colleague is going to talk about following this special order.

He talks about where higher taxes are necessary, tax consumption, including nonrenewable energy and non-essential personal consumption.

He talks about reducing the size of Washington governmental agencies, the White House and congressional staff.

Mr. Speaker, you and I both know that we are not cutting the size of the Federal Government. It is false and wrong to tell the American people that we are doing that, because that is not in fact what is occurring today.

The fifth thing he talks about is to slow the increase of all entitlement programs across the board to the rate of inflation, less 1 or 2 percent in that area.

The sixth thing is to apply the savings to gradually but methodically reduce the Federal budget deficit.

Mr. Speaker, I will include his letter and the accompanying article from the Wall Street Journal in the RECORD at this point.

STRAFFORD, PA.  
July 1, 1993.

Representative CURT WELDON,  
Rayburn Building, Washington, DC.

DEAR REPRESENTATIVE WELDON: Let's not forget the examples set for us by most European countries over the past 40 years as stated by the enclosed article from the Wall Street Journal, July 1, 1993. Those countries that implemented higher taxes to support state controlled business, health care and ever higher levels of social support services demonstrated that these social systems only encourages citizens to work less, become less competitive internationally and demand ever higher social support systems. All of these problems are now finally coming home to roost in each of the major western European countries that attempted these social-experimentations.

What are the lessons learned?

1. Reduce the size and influence of Federal Government in individual, state and local governmental decisions. Including less Federal regulation of employer provided benefits such as family leave and health care. Employee and unions are capable of negotiating with their employers, the benefits which are most important to them and their families. Reduce overall Federal regulation of business and commerce including international trade with more agreements such as NAFTA.

2. Lower Federal taxes on investment and capital gains. Provide more incentive for savings & investment, research and development by private industry which will encourage higher levels of individual and economic productivity.

3. Where higher taxes are necessary, tax consumption, including non-renewable energy and non-essential personal consumption.

4. Reduce the size of Washington governmental agencies, the White House and congressional staff by 10 to 15% across the board. Private industry has done this for the past 3 years and while painful, has positioned American industry to be more competitive for the next two decades. The Federal Government must follow this example in order for our country to prosper and remain competitive internationally.

5. Slow the increase of all entitlement programs across the board to the rate of inflation less 1 to 2%.

6. Apply these savings to gradually but methodically reducing the Federal budget deficit.

We still have a chance to avoid, in our country, the structural problems created by the high tax, socialist spending, and big government examples of our European counterparts. However, I am afraid that we are failing to face the reality the even the most determined European Socialists now understand—high tax, big government with unnecessary regulation and non-productive social programs do not work.

Very truly yours,

JOSEPH J. DIMAIO, Jr.

#### EUROPE'S SAFETY NETS BEGIN TO TEAR (By Terence Roth)

Hard times are eating away Europe's social-market economies.

Germany's Non-Denominational Welfare Association was stunned when it learned that its funding for caring for the elderly and infirm could be cut by \$7 million, or roughly half. Many of the thousands whom the social workers bathe, cook and clean for may now have to pay more, or be dropped off the lists.

"Nobody in Bonn told us. We read it in the newspapers," complains Ulrich Schneider,

the group's social-policy director. "It was so abrupt we don't have time to find other funding. But this is the new style in these days of the eroding social state," says Dr. Schneider. "For 40 years we had a social consensus in this country, but now even the last net is falling away."

That's still far from true. However, after decades of seemingly smooth running, Western Europe's social-market economies are beginning to indicate that regaining competitiveness could mean a wrenching overhaul.

Reversing the social-market trend means paring decades of support programs covering most facets of European life, from child allowances and generous pensions to job guarantees, industrial subsidies and cheap health care.

It won't be easy. German Economics Minister Guenther Rexrodt lowered the boom with a proposed hit list of social programs in May, declaring that Germany "increasingly exports more jobs than products."

Europe's most advanced welfare state, Sweden, has led the reverse trend since launching in 1991 the biggest assault ever on the country's social programs as part of a deficit-reduction plan. Britain is whittling down state health services, and Italy has suspended its rigid wage-indexation system and is expecting bigger changes.

Dutch riot squads clashed violently with 20,000 students in the center of The Hague in May. The students were protesting planned cuts in the availability of free transport and automatic unemployment payments beginning on graduation day.

Spain sparked a general strike last year when the government cut unemployment benefits. France is turning further from its costly tradition of state ownership with planned sell-offs of government-held companies beginning later this year.

To be sure, much isn't changing immediately. But some economists predict that reforms could gain momentum as pressure builds to tighten bloated government deficits and get industries moving again.

"When these models snap, you cannot put them back together again," says David Roche, global strategist for Morgan Stanley in London. "The Italian model snapped, the Swedish model snapped and now the German model has snapped, and they don't know what happened."

There are several reasons why the crunch is hitting now. A deepening recession has exacerbated the drag of structural deadweight piling up over decades, most visibly in the steady climb in long-term unemployment. At the same time, new competition from the Pacific Rim, a revitalized U.S. industry and cheaper producers in work-hungry Eastern Europe are cutting into European producers' profits.

The result: trimming government spending, cutting taxes and scraping the keels of industry by deregulating labor markets and cutting social contributions that are added to employee paychecks. Policy makers are conceding now what was unutterable only a few years ago: Europeans will either have to lose benefits or lose jobs.

"I wish everyone in the community would accept that the first goal in 1993 and for the next 10 years has to be to improve the competitiveness of European industry," Martin Bangemann, vice president for industrial policy at the European Community Commission, warned earlier this year. "You can only support higher labor costs if you have higher productivity. And that isn't the case today the way it was years ago."

European labor is as much as 50% more expensive than its major competitors; not because hourly wages are that much higher, but because the social benefits paid by employers have exploded. The average German manufacturing worker, the highest paid in Europe, received \$26.89 an hour in wages and benefits last year, of which \$12.47 came in the form of social benefits such as health insurance and pension funding.

Italian workers receive more benefits than wages in their \$21.09 hourly compensation. By contrast, only \$4.44 of a U.S. worker's average hourly compensation of \$15.89 an hour comes as benefits.

Europeans also take longer vacations and work shorter weeks. In 1992, the average German worker clocked 1,519 hours and took 40 days of paid vacation. The average French worker put in 1,646 hours. Meantime, their U.S. and Japanese competitors worked and average 1,857 and 2,007 hours last year, respectively.

European employers complain this factor goes right into higher operating costs that either squeeze profits or propel their prices out of the market. Unit labor costs have been rising faster in Europe than in any of the Continent's economic rivals since the early 1970s. In 1992 alone, average EC unit labor costs grew 4.1%, rapidly outpacing rises of 1.4% in the U.S. and 2.4% in Japan, according to the Organization for Economic Cooperation and Development.

Business leaders say it's time to begin sacrificing Europe's holy cows. "We have arrived at a point where we have to tell employees that they have to begin insuring themselves," says Peter-Ruediger Puf, chief economist of Daimler-Benz AG. "Self-responsibility is the watchword."

Curt Engelhorn, supervisory-board chairman of Boehringer Mannheim GmbH, says the big German pharmaceuticals concern is an example of a company struggling under rising costs and bureaucratic red tape. His remedy: "For us it is simple: Return to a free-market economy."

Already jeopardized by overseas competitors, Germany and France now are threatened by cheaper exports from countries whose currencies have been devalued since last September: Britain, Italy, Spain, Portugal and Ireland.

"Before the realignments, all of Europe was uncompetitive but traded 60% with themselves. That worked before it went bust with competitive devaluations in September-October," says Mr. Roche of Morgan Stanley. The currency realignments redoubled pressure on companies to become lean and make operations profitable.

If EC governments take the Maastricht treaty for European monetary union seriously, they have no choice but to cut social spending. Of the 12 EC countries, only Luxembourg meets Maastricht convergence criteria on public-sector debt and deficits.

Public spending amounted to nearly 49% of the EC's gross domestic product last year, up from 37% in 1970, according to the EC Commission. That compares with 37% in the U.S. and 32% in Japan last year. In 1990, the latest figures available, social-security outlays accounted for 25% of GDP in the EC, compared with 15% in the U.S. and 11% in Japan.

In Italy, deficits in social programs accounted for half of its 1992 budget deficit, amounting to a whopping 10% of GDP. Other countries face growing deficits in coming years as their populations age—and especially if European economies remain sluggish.

The generous public sector helps explain why the corporate tax burden is 61% in Germany and 52% in France, but 45% in the

U.S., according to calculations by the Institute of German Industry. In Britain, which began dismantling its social systems in the 1980s, public spending as a percentage of GDP was 41% last year at the bottom of the EC list, while its corporate tax rate was only 33%.

Mr. Speaker, these are but a few examples of the countless letters that I have received from ordinary people. No one has written to me as a small business owner asking me to vote for this plan, although I do admit that initially the mail was running 3 to 1, I did have about 800 constituents who wrote to me in favor of the President's economic plan, but the bulk of those letters and phone calls came within the first 5 days after the President's State of the Union speech.

Since the reconciliation package was passed on the floor and citizens have had a chance to look at it, the mail is running 20 to 1 against that package.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. WELDON. I am happy to yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I would like to just shed a little light on the point that my friend raises.

I, too, got some mail in my office that was in support of this plan initially. I was struck with several letters, I do not have the raw numbers in front of me, but I was struck by the number of people who wrote back and said basically the following:

I have written to you, Mr. DREIER, saying that I urge you to support President Clinton's package. I regret having sent that letter.

One person, and this letter sticks in my mind, said:

Please disregard the letter that I sent to you. It is obvious that this plan does not cut spending first before it looks to impose a greater tax burden on those of us who are working Americans.

And they urge me to disregard the letter that had been sent. I suspect that of the 800 letters of which my colleague has referred, a number of those people probably today would write and urge that they disregard the letter that they sent initially.

Mr. WELDON. Mr. Speaker, I thank my colleague for that point. In fact, that is exactly what has happened. I have had people who told me initially after the President's speech, because as we both I think would agree, he did a good job in delivering the State of the Union speech, but once the rhetoric was aside, and as Ross Perot said, "We have a chance to look at the devil in the details" and saw what was actually in there, the American people realized this is not what is best for this country at this point in time.

People have in fact changed their opinions dramatically. What really scares me is that again tonight this President is going to go on national TV and have access to a forum to which we do not have access, to command the at-

tention of the American people and attempt to put the right spin on this economic plan.

Mr. Speaker, I am not here to put a spin on this plan. I am here to give you the detailed information given to me by my constituents. I have given you their names, their addresses, their company titles. I have talked about their history. I am inserting it into the RECORD, as I have done for the past month, countless examples of people who are going to be hurt by the approach that we are about to take if we pass this plan.

I want to say in closing, Mr. Speaker, that this is not a Republican versus Democrat fight here that we are about to undertake in this body. As I said before back in 1990, I was a Republican opposing my Republican President at a similar point in time because I thought he was taking the wrong approach. I am not one who is going to demagogue the issue of tax increases. As I said earlier, as a local official, I have raised taxes and would do it again if I were confident the system worked and we had done everything to cut spending.

But what is important for the American people and our colleagues to understand is that there are many Members, and our colleagues of the other side, Democrats, who had the guts to stand up on this and vote no. I know how difficult that is. When I voted no against President Bush in 1990, I knew the price I would have to pay for that. I was never invited to a State dinner at the White House, never called to the White House for any special meetings or any special trips. While that did not hurt, that is only one part of the price to bear.

What our Democrat colleagues have had to bear in this body who voted no is far worse than what I had to bear back in 1990 when I voted no against President Bush.

So to all my Democrat colleagues who voted no on the Clinton plan when it came up on the House floor for a vote, I applaud you, because you have done not just what I think is the right things, but you have also stood up to tremendous pressure. A lot of these things do not come out in the RECORD, but my colleagues have talked to me about the offerings that were made, the pieces of paper that were slipped, the offers by the White House and the administrative staff to take care of certain priorities. We know the pressures that can be brought to bear.

For those of our colleagues who stood up and voted no, they really are the heroes in this fight and they will be the heroes for the American people if we win this battle on the floor this week.

While the Republican Members can take credit for standing up as they did during the votes on the Bush budget back in 1990, the real heroes this week if we are able to defeat this plan and go back and start over again by reducing

the size of the government, and I will be glad to work with them in that regard, the real heroes will be those Democrat Members who stand up to their leadership, not just in the White House, but the leadership in this body and in the other body and say, "No, I am not going to do this because it is the wrong approach for the American Government to be taking at this point in time in trying to get our economy back on track."

□ 1820

Mr. Speaker, I deliver this special order because I think it is important that we look at the real impact on real people of the Clinton tax, and that is what I have tried to do today.

I will continue to speak out this week in 1-minute speeches, Mr. Speaker, and I ask all of my colleagues, some of whom may be back in their offices, and all of our constituents who, in fact, are all across America, to use the next couple of days to contact Representatives here in Washington and to let them know that this is the wrong approach for America at this time.

We know there is going to be a ton of calls tonight following the President's speech, and I ask America to respond in kind.

Mr. Speaker, I ask to submit for the RECORD the following letters:

HALE FIRE PUMP CO.,

Conshohocken, PA, July 22, 1993.

Hon. CURT WELDON,

U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE WELDON: As the Director, Human Resources, in a medium sized manufacturing company in Southeastern Pennsylvania, I am writing to you to applaud your efforts to identify the Clinton economic agenda for what it is and its negative impact on prosperity and expanding the economy.

The Clinton Administration frightens businesses and has a negative affect on business expansion. Specific issues that concern me are:

Municipality and government organizations that have severely restricted discretionary spending, impacting on the demand for rescue equipment and related accessories by local rescue service agencies.

The impending threat of an expanded energy tax which increases the costs of doing business, in domestic as well as international markets.

The lack of control on federal government spending for social entitlements and pork barrel type programs. This will continue to stifle business expansion and exert a negative influence on new job creation.

The impending fear of rampant inflation—so well controlled under the presidencies of Ronald Reagan and George Bush—is another concern due to the substance and direction of Clinton's proposals.

The lack of any real improvements in the balance of trade deficits, despite Clinton's widely touted "successful" trade talks.

Reluctance to hire. We at Hale, and many other businesses, now avoid hiring additional people until absolutely necessary, pending positive direction to the economy.

Congressman Weldon, whatever actions you and your colleagues in the Congress can

do to minimize the negative impacts of Clinton's progressive liberal economics on the business community and to help protect and sustain the industrial base that has made this Nation so great will be appreciated by all Americans.

Very truly yours,

JOSEPH F. BRUCKNER,  
Director, Human Resources.

PRECISION MEDIA DUPLICATION  
AND SOFTWARE PACKAGING EXPERTS,  
Exton, PA, July 13, 1993.

Congressman CURT WELDON,  
Rayburn Building, Washington, DC.

DEAR CONGRESSMAN: On behalf of small business everywhere, I urge you to vote no on the Clinton tax and spend economic proposal.

I agree completely that we need to significantly reduce the deficit, but I think that objective can best be achieved through a program of deep spending cuts and by providing stimulus through growth incentives to encourage business development and growth—not by increasing our tax burdens during these most difficult of times.

Sincerely,

JAMES FREED,  
President.

CHEMICAL LEAMAN TANK LINES, INC.,  
Exton, PA, July 23, 1993.

Congressman CURT W. WELDON,  
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN WELDON: I urge you to oppose the fuel tax proposal for the following reasons:

The current proposals are grossly unfair to trucking. Highway users are being asked to pay for deficit reduction because Congress is unwilling to make the politically hard decision to cut spending.

Higher fuel taxes are not needed to cut the deficit, since lower deficit estimates mean the federal government could save about \$100 billion over the next five years due to lower long-term interest rates.

A fuel tax increase would be too little to significantly reduce the deficit, but large enough to do harm to a fragile economy, and to an industry with a 2% profit margin.

The trucking industry is fighting to create and preserve jobs, while a fuel tax increase would do the opposite: it would eliminate jobs.

Thank you.

Sincerely,

JOHN J. KILCULLEN,  
President and CEO.

AAA MID-ATLANTIC,  
Philadelphia, PA, July 29, 1993.

Hon. CURT WELDON,  
Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN WELDON: As you know, budget talks between top Congressional and White House officials are now taking place. It appears that a new 9 cent federal tax on gasoline could be part of the reconciliation package.

It is our belief that such a gas tax increase for deficit reduction is not warranted for the following reasons:

This new tax will represent a 64 percent increase over the current 14.1 cent federal gas tax. This deficit reduction gas tax is on top of a 56 percent increase in the tax that occurred in 1990. Combined with expected increases for federal oxygenated and reformulated gasoline mandates and other state and local taxes, pump prices may be 20 cents higher per gallon by 1995.

A recent AAA survey indicates over 70 percent of the voting public rejects the notion that fuel taxes should be used for deficit purposes.

It is unfair to ask motorists who don't have a political action committee to foot a new tax, while other energy users with PACs are exempted.

Thank you for your consideration on this issue.

Sincerely yours,

GARVIN R. KISSINGER,  
Vice President,  
Public Affairs.

PENTON-KELLEY CO.,  
Philadelphia, PA, July 20, 1993.

Congressman CURT WELDON,  
Upper Darby, PA.

DEAR CONGRESSMAN WELDON: I am writing to you regarding the President's tax reconciliation bill. As President of a small commercial printing company in Philadelphia I have experienced the following:

The confusion over the eventual effects of the proposed energy tax has inhibited and delayed expansion decisions.

The perceived increase in cost structure to be brought on by the proposed tax increases has resulted in further pre-emptive staff reductions to maintain already-shrinking profitability.

Congressman Weldon, please direct your efforts toward minimizing the negative effects of tax increases on the small business owner who, as you know, is responsible for fueling much of our hoped-for economic recovery.

Sincerely,

LIBBY BEATTY,  
President.

DURANT MEDICAL INC.,  
Malvern, PA, July 20, 1993.

Congressman CURT WELDON,  
Member of Congress, Cannon House Office Building, Washington, DC.

DEAR CONGRESSMAN WELDON: I own a small business in Malvern Pennsylvania and I am writing this letter to bring to your attention concerns that I have with the future of the economy. Although it may not be apparent to you at this point in time I have been experiencing difficulty in maintaining my business goals and objectives. The specific concerns I have relate directly to current operations and expansion.

I have found it increasing difficult to maintain proper bank and vendor relationships due to the government budgetary problems. These problems filter down and directly affect my company, and in turn, my employees.

In closing, if the economy continues on this downward track, I feel that I will not be able to sustain this company that I have worked so hard for during the past five years. It would alarm me to think that if nothing is changed, other small businesses may be left with the same alternative.

If you would like to discuss this matter, please feel free to contact me at your earliest convenience.

Sincerely,

ANTHONY J. FERRANTE,  
President.

GALLAGHER FLUID SEALS, INC.,  
King of Prussia, July 8, 1993.

Hon. CURT WELDON,  
Upper Darby, PA.

DEAR MR. WELDON: As a small business owner, I am opposed to the President's "deficit reduction proposal."

I feel the tax increases that are a part of the bill will have a negative impact on our business. It could jeopardize our current work force in addition to eliminating the need for additional personnel for the foreseeable future.

I urge you to vote no.

Very truly yours,

JOSEPH W. GALLAGHER,  
President.

## CREATE JOBS, STIMULATE ECONOMIC GROWTH, AND LOWER THE DEFICIT

The SPEAKER pro tempore (Mr. BISHOP). Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 60 minutes.

Mr. DREIER. Mr. Speaker, I have, for the past several weeks and months, stood in this well to support an initiative that President Clinton is wholeheartedly behind. That is the North American Free-Trade Agreement. I happen to believe very strongly that it is going to be one of the greatest job-creating mechanisms that we can possibly put into place.

Mr. Speaker, following along the lines of what was just offered by the gentleman from Pennsylvania [Mr. WELDON], I would like to say that I stand here once again with a very bipartisan spirit. That bipartisan spirit is a desire to try to implement a job-creating mechanism in this economy over and above the North American Free-Trade Agreement.

Now, Mr. Speaker, I like to pride myself on, first, being an American and, second, a Republican, and I was not a supporter of President Clinton's when he was a candidate last fall, but I was, frankly, very impressed with more than a few things he said in his campaign, and I would like to spend this evening talking about one of those items which he referred to in his campaign. I want to talk about the fact that we, unfortunately, are not utilizing that campaign promise in this reconciliation package which we are going to be considering later on this week.

Mr. Speaker, I happen to believe that President Clinton's statement last year, that a capital gains differential was very important to job creating and economic growth, was a correct one. It is one which I have subscribed to all along, and, based on every bit of evidence that we have seen, it is clearly going to play a key role in creating job opportunities in this country.

Now, as has been said earlier, the President is going to be going on television this evening, and he is going to be bringing forth, urging the American people to contact those of us, Members of the Congress, to support his plan. I will say here that, while I am a strong supporter of many of President Clinton's initiatives, I will do everything that I possibly can to defeat his plan that he is going to be talking about

later this evening because, even though he talks about an economic growth component and stimulating small business, this plan does anything but that based on the evidence that we have seen in the past.

Now, I happen to believe, and I made this statement earlier, that we in the minority clearly have to offer a very positive economic growth component, and in fact, shortly after we defeated, or after I voted against, the initial budget package that the President had, and many in the media were saying that Republicans were simply trying to block President Clinton's initiatives, they were not offering any positive alternative. I introduced H.R. 1885, a basic 4-point plan designed to create jobs, stimulate economic growth, and bring down the deficit.

The 4 points include, first, and I am going to be talking about it in just a couple of minutes, a capital gains differential, taking the 28 percent capital gains tax rate, reducing that to 15 percent.

Second, imposing a moratorium on the promulgation of new regulations on the business sector of the economy. We know full well that many of the problems that are created in this country come about, in large part, due to the burden of Federal regulations that are imposed on the private sector. And under the Bush administration we opposed a 90-day moratorium on new regulations for the business sector of the economy, and there were no catastrophes as a byproduct of that. So, the second part of the proposal that I have in H.R. 1885 extends that moratorium on new regulations for the business sector of the economy.

The third thing that it does, very importantly as we look at the deficit and the national debt, it imposes what is called the 2 percent solution, which is close to a freeze on Federal spending, and we all know that trying to bring about a freeze in the area of Federal spending could go a long way toward turning the corner on that debt.

And the fourth point is, as I said earlier, establishment or expanding of individual retirement accounts. In the 1981 tax bill, which was the only tax bill that I voted for, it was known as the Economic Recovery Tax Act, and we established individual retirement accounts. Those individual retirement accounts were designed to encourage people to plan and save for retirement, put dollars aside so that they would not have to be totally relying on the social security system or other Government programs for their survival.

So, what I have in H.R. 1885 is an expansion of individual retirement accounts allowing for a spousal contribution to that individual retirement account and withdrawals from that individual retirement account for three basic uses: First, a new home purchase, which, obviously, is very important, as

we know that the housing industry has historically played a key role in pulling us out of recession.

Second, the purchase of very needed health care. We are looking at health care reform, and it seems to me that being able to withdraw from an individual retirement account would be very beneficial as we look at health care reform.

And the third thing is education. We know that many people are decrying the very sorry state of the educational system in this country, and one of the things that I call for in H.R. 1885 is a withdrawal for education purposes, for postsecondary education.

So, Mr. Speaker, it seems to me that this 4-point economic package would go a long way toward dealing with the challenges that we have and, Mr. Speaker, it is contrary to what many in the media, and some on the other side of the aisle, have said: A positive alternative to the one that has been brought forward and the one which most on our side of the aisle strongly oppose.

Now I want to take a few minutes to talk specifically about the issue of capital gains and the effect that a capital gains tax cut has had in the past and will continue to have.

First of all, if we look at the overall tax rates, since 1946 tax rates, marginal tax rates have fluctuated from 91 percent at a high to 28 percent, and revenues have basically, as a percentage of the gross national product, remained constant at 19.5 percent. We have clearly demonstrated that the only way to increase revenues to the Federal treasury is to expand the economy.

Now, my friend, the gentleman from Pennsylvania [Mr. WELDON] has talked about the fact that this gasoline tax increase and other taxes that are in this proposal which the President is going to be talking about in a couple of hours is one which will lead the economy to constrict.

Now, how we can possibly expect to deal with the national debt and the Federal deficit if we have not an expanding economy but a shrinking economy is really beyond me, because most every small businessman and woman, and many, many others, even in big business, not withstanding those who went down to the White House the other day to support the plan, have indicated to me and to others of our colleagues that we must have growth components there, and, according to the date that we have gathered from the Joint Economic Committee and from the Internal Revenue Service, one of the very best ways for us to gain tax revenues to the Federal Treasury so that we can turn the corner on the \$4.5 trillion national debt and the hundreds of billions of dollars in deficits that we run up each year would be to put into place a meaningful capital gains tax stimulus.

□ 1830

Now, in 1978 the top capital gains tax rate was lowered from 50 percent to 28 percent. As a result of that tax rate reduction in 1978, we saw at that point an increase in revenues to the Treasury from \$51 billion to \$326 billion in 1986.

Mr. Speaker, I would like to ask you to focus your attention, if you could, on this chart here, which basically deals with the level of revenues that have been gained from a capital gains tax reduction versus the level of revenues when we have seen an increase in the capital gains tax cuts.

Now, I referred a few minutes ago to the capital gains tax cut which was known as the Steiger amendment, which in 1978 saw a reduction in the capital gains rate from 50 percent down to a 28-percent rate. That capital gains tax reduction which started then actually did create an increase in revenues to the Treasury.

Mr. Speaker, I refer to the 1981 Economic Recovery Tax Act, known as the Reagan tax cut. We saw the rate reduction take place, and we saw a further increase in revenues to the Federal Treasury.

This has taken place for a wide range of reasons, Mr. Speaker. Primarily the fact that we have eliminated the so-called lock-in effect, whereby people who have a tremendous appreciation hold on to it because the rate of taxation is so high, when we have a rate reduction, they sell off those items which have a capital gains appreciation, and therefore those dollars are going back into the economy, the tax revenues come into the Treasury, and the dollars that the individual investors have been able to accrue are reinvested.

Well, in the 1986 Tax Reduction Act, known as the TRA, which happened to oppose, there was a 40-percent increase in the capital gains tax rate. That 40-percent increase in the capital gains tax rate created a tremendous disincentive for those who had capital appreciation.

What happened was we saw a tremendous drop in revenues to the Treasury because of that so-called lock-in effect which went into play, and at that point we lost a tremendous amount of revenue, tragically.

Now, there are many that say that the loss in revenue to the Treasury which has come since 1986 has been because of the economic slowdown which has taken place. But, Mr. Speaker, you can see on this chart here that there is a tremendous dropoff which takes place in 1987 when we were still seeing economic growth take place, long before the economic recession began.

This played a role in creating the economic recession. That increase in the capital gains tax rate of 40 percent, which was incorporated in the 1986 Tax Reform Act, actually decreased revenues to the Treasury and laid the

groundwork for the economic recession which has been so devastating. So it seems to me as we look at tax rates, especially in the area of capital gains, the best thing that we can possibly do is reduce them to stimulate the economy.

Now the Joint Commission on Taxation has come to the conclusion that any capital gains tax rate which is beyond 28.5 percent actually decreases the flow of revenue to the Federal Treasury. Mr. Speaker, as we look at that, and this is evidence which has come from a wide range of economists, and not just information from economists but empirical evidence which we have gleaned from the activities of investors here in the United States, what we found is that we are going to decrease revenue to the Treasury if there is any kind of increase in the capital gains tax rates, and what we need to do to increase revenue to the Treasury is actually see a meaningful cut in the capital gains tax rate.

Mr. Speaker, this is a bipartisan issue. As I said, President Clinton talked about it in his campaign last fall. I wish he had taken that capital gains rate reduction plan that he talked about as a candidate and put it into place as part of his budget package. Unfortunately, he did not, and it is not the only promise that he has turned his back on, and many of us have recognized that on both sides of the aisle.

When I say the capital gains tax reduction is not simply a partisan issue, it is not just the fact that President Clinton talked about it as a candidate. We saw here in the House a vote on the capital gains issue two years ago, and that vote saw 43 Democrats join with us to pass the package.

Tragically, the capital gains tax reduction designed to stimulate economic growth died in the Senate because of the filibuster that was brought about by the Senate majority leader Mr. MITCHELL.

We now today have a bipartisan coalition of Democrats and Republicans who would very much like to see us put into place a capital gains tax differential which could stimulate economic growth. In fact, the United States is one of the very few developed nations in the entire world without that capital gains differential.

Mr. Speaker, one of the arguments that is constantly thrown out is that the capital gains tax is simply a tax on the very wealthy in this country. We know that nothing could be further from the truth. In fact, 40 percent of capital gains are realized annually by people with incomes of less than \$50,000.

Mr. Speaker, let me underscore that again. While many people like to say that the capital gains tax is simply a tax on the very rich, 40 percent of the capital gains each year that are re-

ceived, are received by people who earn less than \$50,000.

We also know that this capital gains differential is something that needs to be addressed to affect the small business component. President Clinton obviously has talked about the need to stimulate the small business sector of our economy and encourage a level of growth there. Clearly the best thing that we could do would be to create this much needed capital gains tax differential if we are going to stimulate the jobs creation mechanism of the small business sector of our economy.

Clearly, if you look at this lock-in effect that I was talking about earlier, a lock-in is very simply the fact that people have seen appreciation in an investment, and they say, "My gosh, the tax rate is so high. I don't want to sell that item right now because it has appreciated. I am very hesitant to sell it."

They say, "Why should I, having worked so hard on this investment, see a large percentage of it go to the Federal Treasury?" So instead, what they do is hold on to it. That is what is referred to as the lock-in effect.

If we were to see a reduction in the capital gains tax rate, Mr. Speaker, clearly that would create the incentive for that American investor, who has actually seen an increase in his or her investment, they would have the incentive to turn that over and actually take that item and sell it. The Federal Government would then see a flow of billions of dollars to our Treasury, as has been shown by this chart here, if you look from 1978 to the present.

What we would do is we would also see that individual take those dollars and reinvest them in another private sector investment which will create jobs, and, in keeping that rate down, when that investor sees an appreciation of his or her holding, they will, with a lower rate, be inclined to sell that item and reinvest and look at another item.

So clearly, Mr. Speaker, we have a tremendous opportunity here in a bipartisan way to put together the kinds of incentives that are needed to encourage economic expansion.

Mr. Speaker, I hope very much for and want President Clinton to succeed. I want President Clinton to see the economy grow, because my State of California has been devastated because of the tremendous tax and regulatory burden which exists at the Federal level in the State of California, the cuts in the defense and aerospace industry, and a wide range of other areas.

So it seems to me that we need to take what President Clinton talked about as a candidate last year and put it into place. If he really wants to stimulate economic growth, if he really wants to increase the level of revenues to the Federal Treasury so that we are not passing on to future genera-

tions the responsibility of shouldering the burden of the spending which this Congress continues to increase, we should put into place a capital gains differential. And I hope very much that we will continue to have bipartisan support for this kind of initiative, which will go a long way toward dealing with many of the problems that we have here.

#### CONFERENCE REPORT ON H.R. 2348

Mr. FAZIO submitted the following conference report and statement on the bill (H.R. 2348) making appropriations for the legislative branch for the fiscal year ending September 30, 1994, and for other purposes:

##### CONFERENCE REPORT (H. REPT. 103-210)

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2348) "making appropriations for the Legislative Branch for the fiscal year ending September 30, 1994, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 6, 15, 19, 26, and 28.

That the House recede from its disagreement to the amendments of the Senate numbered 4, 9, 11, 14, 17, and 18, and agree to the same.

##### Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: \$1,344,000; and the Senate agree to the same.

##### Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: \$21,315,000; and the Senate agree to the same.

##### Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: \$8,453,000; and the Senate agree to the same.

##### Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: \$202,250,000; and the Senate agree to the same.

##### Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

Restore the matter stricken amended to read as follows:

SEC. 206. Effective for fiscal years beginning with fiscal year 1995, obligations for any reimbursable and revolving fund activities performed by the Library of Congress are limited to the total amounts provided (1) in the annual regular appropriations Act making appropriations for the legislative branch, or (2) in a supplemental appropriations Act that makes appropriations for the legislative branch.

And the Senate agree to the same.  
Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *level, other than those supported by gift and trust funds, ; and the Senate agree to the same.*

The committee of conference report in disagreement amendments numbered 1, 7, 10, 12, 20, 22, 23, 24, 25, and 27.

VIC FAZIO,  
JAMES P. MORAN,  
DAVID OBEY,  
JOHN P. MURTHA,  
BOB CARR,  
WILLIAM H. NATCHER,  
BILL YOUNG,  
RON PACKARD,  
CHARLES H. TAYLOR,  
JOE MCDADE,

*Managers on the Part of the House.*

HARRY REID,  
BARBARA A. MIKULSKI,  
PATTY MURRAY,  
ROBERT C. BYRD,  
CONNIE MACK,  
CONRAD BURNS,  
MARK O. HATFIELD,

*Managers on the Part of the Senate.*

#### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2348) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1994, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

#### TITLE I—CONGRESSIONAL OPERATIONS SENATE

Amendment No. 1: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, will move to recede and concur in the Senate amendment which appropriates \$443,314,700 for Senate operations and includes several administrative provisions.

#### JOINT ITEMS

##### JOINT ECONOMIC COMMITTEE

Amendment No. 2: Appropriates \$3,980,000 for the Joint Economic Committee as proposed by the House instead of \$3,626,000 as proposed by the Senate.

##### JOINT COMMITTEE ON PRINTING

Amendment No. 3: Appropriates \$1,344,000 for the Joint Committee on Printing instead of \$1,377,000 as proposed by the House and \$1,311,000 as proposed by the Senate.

##### CAPITOL POLICE BOARD

The conferees agree that the number of take-home motor vehicles for use by the Capitol Police should be limited to three, one for the Chief, who is on call continuously as the need arises, and two more for assignment at the discretion of the Chief.

#### OFFICE OF TECHNOLOGY ASSESSMENT SALARIES AND EXPENSES

Amendment No. 4: Makes technical correction as proposed by the Senate.

Amendment No. 5: Appropriates \$21,315,000 for salaries and expenses, Office of Technology Assessment instead of \$20,815,000 as proposed by the House and \$21,815,000 as proposed by the Senate. The conferees direct that the additional funds above the House bill are to be utilized for purposes directed by the Technology Assessment Board but not to duplicate workload or legislative responsibilities of the Congressional Budget Office.

#### CONGRESSIONAL BUDGET OFFICE

##### SALARIES AND EXPENSES

Amendment No. 6: Appropriates \$22,317,000 for salaries and expenses, Congressional Budget Office as proposed by the House instead of \$22,442,000 as proposed by the Senate.

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that authorizes the disposal of surplus or obsolete personal property.

#### ARCHITECT OF THE CAPITOL

##### OFFICE OF THE ARCHITECT OF THE CAPITOL

##### SALARIES

Amendment No. 8: Appropriates \$8,453,000 for salaries, Office of the Architect of the Capitol instead of \$8,762,000 as proposed by the House and \$8,144,000 as proposed by the Senate.

##### CONTINGENT EXPENSES

Amendment No. 9: Deletes authority contained in House bill for funds to remain available for contingent expenses, Office of the Architect of the Capitol as proposed by the Senate.

#### CAPITOL BUILDINGS AND GROUNDS

##### CAPITOL BUILDINGS

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that provides an increase of \$220,000 in the cost limitation established in H.Con. Res. 550.

Amendment No. 11: Provides that \$4,413,000 of Capitol buildings funds shall remain available until expended as proposed by the Senate instead of \$4,663,000 as proposed by the House. The conferees agree with the Senate project allocations, providing additional funds for the conservation for wall paintings, \$50,000, and security x-ray machines, \$200,000, while reducing by \$50,000 the funds allocated by the House for plumbing renovations, and by \$200,000 the funds allocated for elevator modernization.

##### SENATE OFFICE BUILDINGS

Amendment No. 12: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate and in accord with long practice, under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House, at the request of the managers on the part of the Senate, will move to recede and concur in the Senate amendment which provides \$47,339,000 for the maintenance, care, and operations of Senate office buildings.

#### GOVERNMENT PRINTING OFFICE

##### CONGRESSIONAL PRINTING AND BINDING

The practice of assigning Government Printing Office staff to assist House and Senate Committees and other Congressional offices needs to be reviewed. There are, as pointed out in a letter from the Chairman of

the House Committee on Energy and Commerce, legitimate needs to have professional assistance from GPO to prepare and publish hearings, reports, and other printed material for the Congress. The conferees believe the Joint Committee on Printing must review this issue, including the suggestions in Chairman Dingell's letter. The fiscal year 1995 GPO budget request, therefore may contain funds for such detailees, but the Committees on Appropriations believe that significant changes are needed in this practice. The GPO is directed to seek guidance from the Joint Committee on Printing and to include an appropriate proposal with the fiscal year 1995 budget.

#### TITLE II—OTHER AGENCIES

##### LIBRARY OF CONGRESS

##### SALARIES AND EXPENSES

Amendment No. 13: Provides \$202,250,000 for salaries and expenses, Library of Congress instead of \$201,231,000 as proposed by the House and \$202,304,595 as proposed by the Senate. Funds for the staff assistance for the Librarian Emeritus should be taken from available funds, and the conferees remind the Library of Congress that Public Law 100-83 provided that the Librarian Emeritus "may receive incidental administrative and clerical support through the Library of Congress." The conferees have provided \$1,019,000 for the final year of funding to complete the American Memory pilot test, although Library of Congress promotional material describing this project indicates "the evaluation concluded in June 1993 and the findings will be presented in a final report by autumn 1993." The American Memory staff who are performing cataloging functions should be reassigned to the overall rearrange project, where their expertise is needed, and where vacant and funded positions are available.

It is expected that the American Memory technology will be made available to the educational community for further exploitation, perhaps by the private sector or in whatever fashion it may be put to beneficial use, but that the Library of Congress will not extend its role in the creation or assembly of educational material beyond making the collections available for use by such technology users as they are generally to the American public and other users of the Library's extensive collections.

The conferees believe that the current location of the first draft of the Gettysburg Address at the Gettysburg National Military Park is fitting. The environmental and security conditions of the display seem entirely satisfactory and are in accord with stipulations set by the Library of Congress. Over one-half million visitors view this inspirational document each year at the current site. The Library of Congress has the second draft in its archives for safekeeping and rarely used research purposes. The conferees encourage the Librarian of Congress to reopen discussions with the National Military Park for the purpose of extending the loan for an indefinite period. As long as it is treated with the care needed to preserve the original, which appears to be at least equal, if not superior, to that provided within the permanent storage vault, this loan would appear to be an excellent tradeoff for the additional exposure to the public that this priceless artifact receives in its more historically compatible setting.

#### BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

##### SALARIES AND EXPENSES

Amendment No. 14: Appropriates \$42,713,000 for salaries and expenses, books for the blind

and physically handicapped as proposed by the Senate instead of \$43,144,000 as proposed by the House.

Amendment No. 15: Provides that \$10,377,000 shall remain available until expended as proposed by the House instead of \$9,946,000 as proposed by the Senate.

#### ADMINISTRATIVE PROVISIONS

Amendment No. 16: Amends a provision proposed by the House and stricken by the Senate regarding reimbursable programs. The conference agreement exempts gift and trust funds, and makes a technical change from a "disbursement" control to an "obligation" control.

#### ARCHITECT OF THE CAPITOL

##### LIBRARY BUILDINGS AND GROUNDS

##### STRUCTURAL AND MECHANICAL CARE

Amendment No. 17: Appropriates \$9,974,000 for structural and mechanical care, Library buildings and grounds, Architect of the Capitol as proposed by the Senate instead of \$9,543,000 as proposed by the House. The Madison security funds, \$150,000, are for a project that appears duplicative of a combined House-Senate-Library of Congress effort for buildings and office access technology. The Library of Congress and the Office of the Architect of the Capitol are directed to consult with House Information Systems, and House and Senate Sergeants at Arms to determine the extent to which these projects may beneficially be coordinated and the advantages and disadvantages of requiring compatibility between the technologies of each project. A coordinated report shall be submitted to the House and Senate Committees on Appropriations before these funds are committed.

Amendment No. 18: Provides \$1,341,000 shall remain available until expended as proposed by the Senate instead of \$1,060,000 as proposed by the House.

#### GENERAL ACCOUNTING OFFICE

##### SALARIES AND EXPENSES

Amendment No. 19: Deletes language proposed by the Senate regarding the use of reimbursements under 31 U.S.C. 9105.

#### TITLE III—GENERAL PROVISIONS

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that deletes House language and restores the identical language regarding retirement incentives, amended to prohibit backfilling and to prevent the funds saved to be used for other purposes.

Amendment No. 21: Amends House language to exempt gift and trust funds positions from the full-time equivalent reduction.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate regarding mileage payments.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate regarding a transfer of funds that may be used to replace the roof of the Thomas Jefferson Building at the Library of Congress.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that provides a date change in Public Law 101-302 regarding Senate artwork.

Amendment No. 25: Reported in technical disagreement. The managers on the part of

the House will offer a motion to recede and concur in the amendment of the Senate that amends 2 U.S.C. 130c(a) to adjust the level for waivers of claims that may be decided by the Secretary of the Senate.

Amendment No. 26: Deletes Senate provision regarding awards or payments under Public 102-166.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will move to recede and concur with the amendment of the Senate regarding the establishment of an intergovernmental center.

Amendment No. 28: Deletes language proposed by the Senate regarding the procurement or production of printing. The conferees agree that the economies and operations of government printing and high volume duplicating require more scrutiny, caused by technological change, and the proliferation of these services within Federal agency workplaces and the extensive capabilities of the private sector. The House Committee on Appropriations has recently commissioned a thorough study of this issue by the General Accounting Office and the conferees encourage the appropriate authorizing and oversight Committees (the Joint Committee on Printing, Committee on House Administration, and the Senate Committee on Rules and Administration and possibly the House Committee on Government Operations and Senate Committee on Governmental Affairs) to undertake a review of the matter in consultation with the executive branch.

#### CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1994 recommended by the Committee of Conference, with comparisons to the fiscal year 1993 amount, the 1994 budget estimates, and the House and Senate bills for 1994 follow:

New budget (obligational) authority, fiscal year 1993 .....	\$2,302,923,700
Budget estimates of new (obligational) authority, fiscal year 1994 .....	2,641,945,500
House bill, fiscal year 1994 .....	1,777,727,246
Senate bill, fiscal year 1994 .....	2,269,541,541
Conference agreement, fiscal year 1994 .....	2,269,557,946
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1993 .....	-33,365,754
Budget estimates of new (obligational) authority, fiscal year 1994 .....	-372,387,554
House bill, fiscal year 1994 .....	+491,830,700
Senate bill, fiscal year 1994 .....	+16,405

VIC FAZIO,  
JAMES P. MORAN,  
DAVID OBEY,  
JOHN P. MURTHA,  
BOB CARR,  
WILLIAM H. NATCHER,  
BILL YOUNG,  
RON PACKARD,  
CHARLES H. TAYLOR,  
JOE MCDADE,

*Managers on the Part of the House.*

HARRY REID,  
BARBARA A. MIKULSKI,  
PATTY MURRAY,  
ROBERT C. BYRD,  
CONNIE MACK,

CONRAD BURNS,  
MARK O. HATFIELD,  
*Managers on the Part of the Senate.*

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DEAL (at the request of Mr. GEPHARDT), for today, on account of personal business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. BENTLEY) to revise and extend their remarks and include extraneous material:)

Mr. REGULA, for 5 minutes, on August 3.

Ms. DUNN, for 30 minutes, on August 3.

Mr. WELDON, for 60 minutes each day, on today and August 3, 4, 5, and 6.

Mrs. BENTLEY, for 5 minutes, today in lieu of previously approved 60 minutes.

(The following Members (at the request of Mr. FARR) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, on August 3.

Mr. JOHNSON of Georgia, for 30 minutes each day, on August 4 and 5.

Mr. HINCHEY, for 5 minutes, on August 3.

Mr. POSHARD, for 60 minutes each day, on August 3, 4, 5, and 6.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. CRAPO.

(The following Members (at the request of Mr. FARR) and to include extraneous matter:)

Mr. MILLER of California.

Mr. ENGEL.

Mrs. LLOYD.

Mr. HAMILTON in two instances.

Mr. MINETA.

Mr. STOKES.

Mr. SWETT.

Mr. MANN.

Mr. JOHNSON of Georgia.

Ms. SHEPHERD.

Mr. GLICKMAN.

Mr. RICHARDSON.

Mr. KLEIN in four instances.

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. PORTER.

Mr. HALL of Texas.

Mr. SKELTON.

Mr. KOPETSKI.  
Mr. TOWNS.

BILLS PRESENTED TO THE  
PRESIDENT

ADJOURNMENT

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1274. An act to reduce the subsidy cost for the Guaranteed Business Loan Program of the Small Business Administration, and for other purposes; to the Committee on Small Business.

Mr. ROSE, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following title:

On July 30, 1993:

H.R. 63. An act to establish the Spring Mountains National Recreation Area in Nevada, and for other purposes, and

H.R. 2683. An act to extend the operation of the migrant student record transfer system.

Mr. DREIER. Mr. Speaker, pursuant to House Resolution 232, I move that the House do now adjourn in memory of the late Honorable PAUL B. HENRY.

The motion was agreed to; accordingly (at 6 o'clock and 40 minutes p.m.) pursuant to House Resolution 232, the House adjourned until tomorrow, Tuesday, August 3, 1993, at 1 p.m., in memory of the late Honorable PAUL B. HENRY of Michigan.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports of various House committees concerning the foreign currencies and U.S. dollars utilized by them for official foreign travel during the second quarter of 1993, pursuant to Public Law 95-384, as well as the consolidated report of the Speaker of the House concerning funds utilized for official foreign travel authorized by him during the second quarter, and various reports by miscellaneous groups of the House concerning funds utilized by them for official foreign travel during the second quarter of 1993, are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Dr. Sydney Key	4/24	4/28	England		1,016.00		917.45				1,033.45
Mr. Raymond Almeida	5/8	5/15	Cote D'Ivoire		1,289.00		1,697.45				2,986.45
Committee total					2,305.00		2,614.90				4,919.90

<sup>1</sup> Per diem constitutes lodging and meals.

<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

HENRY GONZALEZ, Chairman, July 12, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Richard Durbin	4/3	4/7	Mexico		893.50						893.50
	4/7	4/8	United States		90.00						90.00
Commercial air transportation							729.28				729.28
Hon. Norman Dicks	6/3	6/7	France		1,190.00						1,190.00
Commercial air transportation							780.55				780.55
Hon. Thomas Foglietta	4/3	4/6	Italy		728.00						728.00
	4/6	4/8	Turkey		498.00						498.00
	4/8	4/9	Syria		215.00						215.00
	4/9	4/11	Morocco		376.00						376.00
Military air transportation											
Hon. Thomas Foglietta	4/29	5/3	South Korea		729.00						729.00
Commercial air transportation							5,020.45				5,020.45
Hon. John Murtha	4/23	4/24	Italy								
Military air transportation							3,561.65				3,561.65
Hon. Ed Pastor	4/3	4/7	Mexico		893.06						893.06
	4/7	4/8	United States		90.00						90.00
Commercial air transportation								730.28			730.28
Hon. Joe Skeen	4/3	4/7	Mexico		893.06						893.06
	4/7	4/8	United States		90.00						90.00
Commercial air transportation							725.28				725.28
John Blazey	5/28	5/30	Denmark		507.00						507.00
	5/30	5/32	Germany		693.00						693.00
	6/1	6/4	France		822.00						822.00
Commercial air transportation							3,094.35				3,094.35
Robert Foster	4/3	4/7	Mexico		824.55						824.55
	4/7	4/9	United States		180.00						180.00
Commercial transportation							887.36				887.36
John Plashal	4/23	4/24	Italy		147.00						147.00
Military transportation							3,561.65				3,561.65
Carol A. Novak	4/3	4/7	Mexico		824.55						824.55
	4/7	4/8			90.00						90.00
Commercial transportation							860.28				860.28
Kevin Roper	4/23	4/24	Italy		147.00						147.00
Military transportation							3,561.65				3,561.65
Timothy Sanders	4/3	4/7	Mexico		824.55						824.55
	4/7	4/9	United States		180.00						180.00
Commercial transportation							807.28				807.28
Total					11,925.27		24,320.06				36,245.33
Appropriations, surveys, and investigations staff:											
G. Carter Baird	4/25	4/28	Croatia		445.00		4,128.97		78.95		4,652.92
	4/28	4/29	Germany		143.25						143.25
	4/29	5/1	Italy		417.50						417.50
	5/1	5/3	Kuwait		474.00						474.00

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1993—Continued

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
T. Keith Baker	5/1	5/7	Germany		839.75		3,219.28		328.67		4,387.70
	5/7	5/12	Italy		1,102.50						1,102.50
Roger T. Castonguay	6/8	6/12	Germany		665.50		3,798.46		169.45		4,633.41
	6/12	6/16	Ukraine		727.50						727.50
	6/16	6/19	Poland		533.00						533.00
	6/19	6/23	Russia		1,080.00						1,080.00
	6/23	6/26	Austria		816.00						816.00
Michael P. Downs	4/25	4/28	Croatia		445.00		4,897.85		165.33		5,508.18
	4/28	4/29	Germany		143.25						143.25
	4/29	5/1	Italy		417.50						417.50
	5/1	5/3	Kuwait		414.75						414.75
	6/4	6/11	Kenya		765.00		5,951.45		113.50		6,829.95
	6/11	6/13	South Africa		288.00						288.00
	6/13	6/17	Mozambique		746.25						746.25
Alfred L. Esposito	4/25	4/28	Croatia		445.00		4,897.85		104.50		5,447.35
	4/28	4/29	Germany		143.25						143.25
	4/29	5/1	Italy		417.50						417.50
	5/1	5/3	Kuwait		414.75						414.75
	6/4	6/11	Kenya		765.00		5,951.45		66.00		6,782.45
	6/11	6/13	South Africa		288.00						288.00
	6/13	6/17	Mozambique		746.25						746.25
Roger B. Feldman	6/8	6/12	Germany		665.50		3,798.46		150.00		4,613.96
	6/12	6/16	Ukraine		727.50						727.50
	6/16	6/19	Poland		533.00						533.00
	6/19	6/23	Russia		1,080.00						1,080.00
	6/23	6/26	Austria		816.00						816.00
Michael O. Glynn	6/2	6/5	Tunisia		228.00		5,602.25		136.72		5,966.97
	6/5	6/9	Italy		1,008.00						1,008.00
	6/9	6/14	Kenya		540.00						540.00
	6/14	6/17	Egypt		429.00						429.00
	6/17	6/19	Cyprus		254.00						254.00
Charles V. Gorsey	4/24	4/26	England		458.00		5,609.45		109.00		6,176.45
	4/27	4/30	Pakistan		416.00						416.00
	4/30	5/1	England		357.00						357.00
	5/2	5/5	Cambodia		776.75						776.75
	5/5	5/6	Thailand		147.25						147.25
Jay K. Gruner	6/2	6/5	Tunisia		228.00		5,602.25		67.72		5,897.97
	6/5	6/9	Italy		1,008.00						1,008.00
	6/9	6/14	Kenya		540.00						540.00
	6/14	6/17	Egypt		429.00						429.00
	6/17	6/19	Cyprus		254.00						254.00
Carroll L. Hauver	5/14	5/18	Scotland		557.00		4,131.45		225.44		4,913.89
	5/18	5/23	England		814.50						814.50
Walter C. Hersman	4/24	4/26	England		458.00		5,609.45		116.38		6,183.83
	4/27	4/30	Pakistan		416.00						416.00
	4/30	5/1	England		357.00						357.00
	5/2	5/5	Cambodia		776.75						776.75
	5/5	5/6	Thailand		147.25						147.25
	6/6	6/9	France		510.00		6,510.45		98.00		7,118.45
	6/9	6/11	Angola		747.50						747.50
	6/11	6/13	Portugal		514.00						514.00
	6/13	6/14	West Sahara		64.00						64.00
	6/14	6/16	Morocco		283.50						283.50
	6/16	6/17	Germany		209.50						209.50
Robert G. Loftis	4/30	5/2	Thailand		169.00		4,028.45		44.00		4,241.45
	5/2	5/5	Cambodia		776.75						776.75
	5/5	5/7	Thailand		310.25						310.25
Vincent J. Pistolessi	4/25	4/28	Croatia		445.00		4,897.85		636.11		5,978.96
	4/28	4/29	Germany		143.25						143.25
	4/29	5/1	Italy		417.50						417.50
	5/1	5/3	Kuwait		414.75						414.75
Christopher J. Richard	4/25	4/28	Croatia		445.00		4,897.85		125.55		5,468.40
	4/28	4/29	Germany		143.25						143.25
	4/29	5/1	Italy		417.50						417.50
	5/1	5/3	Kuwait		414.75						414.75
Edwin J. Sharp	5/1	5/7	Germany		839.75		3,219.28		172.85		4,231.88
	5/7	5/12	Italy		1,102.50						1,102.50
R.W. Vandergrift	4/30	5/2	Thailand		169.00		4,031.45		220.90		4,421.35
	5/2	5/5	Cambodia		773.50						773.50
	5/5	5/6	Thailand		203.75						203.75
L. Michael Welsh	4/24	4/27	England		458.00		5,609.45		114.93		6,182.38
	4/27	4/30	Pakistan		416.00						416.00
	4/30	5/1	England		357.00						357.00
	5/2	5/5	Cambodia		776.75						776.75
	5/5	5/6	Thailand		147.25						147.25
	6/6	6/9	France		510.00		6,510.45		95.73		7,116.18
	6/9	6/11	Angola		747.50						747.50
	6/11	6/13	Portugal		514.00						514.00
	6/13	6/14	West Sahara		64.00						64.00
	6/14	6/16	Morocco		283.50						283.50
	6/16	6/17	Germany		209.50						209.50
Kennedy L. Wilson	5/14	5/18	Scotland		557.00		4,131.45		254.68		4,943.13
	5/18	5/23	England		814.50						814.50
H.C. Young	6/18	6/23	Russia		1,155.00		3,482.99		57.52		4,695.51
Committee total					44,629.00		110,518.29		3,651.93		158,799.22

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM H. NATCHER, Chairman, July 23, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
P. Berkowitz	4/4	4/6	Burma		150.00						150.00
	4/6	4/8	Thailand		426.00						426.00
	4/9	4/13	India		642.00						642.00
	4/13	4/17	Pakistan		712.00		35.33				747.33
Commercial transportation							5,872.15				5,872.15
G. Cannon	4/4	4/7	United Kingdom		762.00			5.03			767.03
	4/7	4/10	France		816.00						816.00
Commercial transportation							3,968.55				3,968.55
Hon. E. Faleomavaega	4/6	4/8	Indonesia		546.00						546.00
	4/8	4/10	Taiwan								
Commercial transportation							5,988.00				5,988.00
	6/20	6/25	Tahiti, F.P.		1,350.00						1,350.00
Commercial transportation							6,687.05				6,687.05
K.F. Gilley	4/4	4/7	United Kingdom		709.00			5.03			714.03
	4/7	4/10	France		770.00						770.00
Commercial transportation							3,968.55				3,968.55
A.M. Griffin	4/3	4/10	South Africa		1,580.00						1,580.00
Commercial transportation							5,937.85				5,937.85
	5/22	5/29	Gabon		2,104.00						2,104.00
Commercial transportation							4,101.75				4,101.75
R. Hathaway	4/4	4/6	Burma		150.00						150.00
	4/6	4/8	Thailand		426.00						426.00
	4/8	4/13	India		760.00						760.00
	4/13	4/17	Pakistan		712.00		35.33				747.33
Commercial transportation							5,827.15				5,827.15
G. Kapen	4/20	4/25	Eritrea		700.00						700.00
Commercial transportation							4,427.45				4,427.45
Hon. T. Lantos	2/24	2/28	Turkey		1,101.00			384.20			1,485.20
Commercial transportation							938.85				938.85
Hon. F. McCloskey	6/19	6/21	Croatia		450.00						450.00
Commercial transportation							3,204.85				3,204.85
J. McCormick	4/4	4/6	Burma		150.00						150.00
	4/6	4/8	Thailand		426.00						426.00
	4/9	4/13	India		716.00						716.00
	4/13	4/17	Pakistan		712.00		35.33				747.33
Commercial transportation							5,827.15				5,827.15
R. Nuccio	4/23	4/25	United Kingdom				3,968.45				3,968.45
Commercial transportation								5.03			767.03
A. Pandya	4/4	4/7	United Kingdom		762.00						762.00
	4/7	4/10	France		816.00						816.00
Commercial transportation							3,968.55				3,968.55
K. Peel	4/4	4/7	United Kingdom		762.00			5.03			767.03
	4/7	4/10	France		816.00						816.00
Commercial transportation							3,968.55				3,968.55
M. Poloyac	5/21	5/23	Germany		586.00						586.00
	5/23	5/24	Belgium		328.00						328.00
Commercial transportation (one-way)							860.00				860.00
Commercial transportation (one-way)							1,720.05				1,720.05
J.W. Roberts	5/21	5/23	Germany		586.00						586.00
	5/23	5/24	Belgium		328.00						328.00
Commercial transportation (one-way)							860.00				860.00
Commercial transportation (one-way)							1,559.80				1,559.80
Hon. D. Rohrabacher	4/5	4/7	Thailand		426.00						426.00
	4/7	4/9	Cambodia		578.00						578.00
	4/9	4/12	Thailand		551.00						551.00
	4/12	4/13	Taiwan		267.00						267.00
Commercial transportation							5,904.45				5,904.45
K. Timmerman	6/11	6/26	France				134.00	78.00			212.00
Commercial transportation							3,218.65				3,218.65
P. Weir	5/6	5/10	Paraguay								
Commercial transportation							3,028.45				3,028.45
Grand total for 2d quarter					110,204.61						

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Represents refunds of unused per diem.

LEE H. HAMILTON, Chairman, July 29, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 1 AND JUNE 30, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Dan Rostenkowski	6/11	6/14	Poland		492.00		(?)				492.00
Charles M. Brain	6/11	6/14	Poland		492.00		(?)				492.00
Deborah G. Colton	6/11	6/14	Poland		492.00		(?)				492.00
Janice Mays	6/11	6/14	Poland		492.00		(?)				492.00
Charles Melody	6/11	6/14	Poland		492.00		(?)				492.00
S. Bruce Wilson	6/11	6/14	Poland		492.00		(?)				492.00
Committee total					2,952.00						2,952.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Transportation by military aircraft.

DAN ROSTENKOWSKI, Chairman, July 14, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO POLAND AND ALBANIA, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAR. 23 AND APR. 2, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Cathy Brickman	3/23	3/26	Poland		483.00						483.00
	3/26	3/29	Switzerland		483.00						483.00
	3/29	4/1	Albania		561.00						561.00
	4/1	4/2	Italy	438,948	274.00						274.00
Commercial transportation							3,912.15				3,912.15
William Freeman	3/23	3/26	Poland		483.00						483.00
	3/26	3/29	Switzerland		483.00						483.00
	3/29	4/1	Albania		561.00						561.00
	4/1	4/2	Italy	438,948	274.00						274.00
Commercial transportation							3,885.15				3,885.15
Committee total					3,602.00		7,797.30				11,399.30

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, May 12, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ALBANIA, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAR. 28 AND APR. 2, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Kristi Walseth	3/29	4/1	Albania		543.00						543.00
	4/1	4/2	Italy	438,948	274.00						274.00
Commercial transportation							3,902.45				3,902.45
Henry Collins	3/29	4/1	Albania		543.00						543.00
	4/1	4/2	Italy	438,948	274.00						274.00
Commercial transportation							3,902.45				3,902.45
Committee total					1,634.000		7,804.90				9,438.90

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, May 12, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO RUSSIA, ESTONIA, LATVIA, AND LITHUANIA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 4  
AND APR. 9, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Sam Johnson	4/7	4/9	Moscow, Russia	Rubbles	1,000.00		1,650.70				2,650.70
Shannon Smith	4/4	4/5	Tallinn, Estonia		1,000.00		( <sup>3</sup> )				1,000.00
	4/5	4/6	Riga, Latvia								
	4/6	4/7	Vilnius, Lithuania								
	4/7	4/9	Moscow, Russia								
Committee total					2,000.00		1,650.70				3,650.70

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Military transportation.

SAM JOHNSON, June 7, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO AZERBAIJAN, ARMENIA, AND TURKEY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 2 AND  
APR. 7, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Richard H. Lehman	4/3	4/4	Azerbaijan		200		( <sup>3</sup> )				200
	4/4	4/6	Armenia		300		( <sup>3</sup> )				300
	4/6	4/7	Turkey		127		( <sup>3</sup> )				127
Al McCandless	4/3	4/4	Azerbaijan		200		( <sup>3</sup> )				127
	4/4	4/6	Armenia		300		( <sup>3</sup> )				300
	4/6	4/7	Turkey		127		( <sup>3</sup> )				127
James Bilbray	4/3	4/4	Azerbaijan		200		( <sup>3</sup> )				200
	4/4	4/6	Armenia		300		( <sup>3</sup> )				300
	4/6	4/7	Turkey		127		( <sup>3</sup> )				127
James Moran	4/3	4/4	Azerbaijan		200		( <sup>3</sup> )				200
	4/4	4/6	Armenia		300		( <sup>3</sup> )				300
	4/6	4/7	Turkey		127		( <sup>3</sup> )				127
Michael Moore (staff)	4/3	4/4	Azerbaijan		200		( <sup>3</sup> )				200
	4/4	4/6	Armenia		300		( <sup>3</sup> )				300
	4/6	4/7	Turkey		127		( <sup>3</sup> )				127
Mark Gage (staff)	4/3	4/4	Azerbaijan		200.00		( <sup>3</sup> )				200.00
	4/4	4/6	Armenia		300.00		( <sup>3</sup> )				300.00
	4/6	4/7	Turkey		127.00		( <sup>3</sup> )				127.00
Committee total					3,762.00						3,762.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Military Air.

RICHARD H. LEHMAN, Chairman, May 5, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO RUSSIA AND UKRAINE, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 4 AND APR. 10, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. John Spratt	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Robert Michel	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Newt Gingrich	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Henry Hyde	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Floyd Spence	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Bob Livingston	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Gerald Solomon	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Richard Gephardt	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Howard Berman	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. David Obey	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. David Bonior	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Steny Hoyer	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Tom Lantos	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Nita Lowey	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Hon. Ben Gilman	4/4	4/6	Russia		1,750.00		1,642.00				3,392.00
Tom O'Donnell	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Margarette Sullivan	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Craig Hanna	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Gardner Peckham	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
William Pitts	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
William Gavin	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Christopher Koin	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
William Schuerch	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Laura Nichols	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
James Billington	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
David Roth	4/4	4/6	Ukraine		1,750.00						1,750.00
	4/6	4/10	Russia								
Committee total					45,500.00		1,642.00				47,142.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

Note.—Travelers were issued and spent \$1,750.00 U.S. per diem prior to departure. Travel was completed on military aircraft except for Hon. Ben Gilman, who flew commercial one way.

RICHARD A. GEPHARDT, Chairman, May 4, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO AFRICA AND EUROPE, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 12 AND APR. 19, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Bill Richardson	4/12	4/14	Africa		252.00						252.00
	4/14	4/19	Europe		701.00						701.00
David Gillette	4/12	4/14	Africa		252.00						252.00
	4/14	4/19	Europe		701.00						701.00
Committee total					1,906.00						1,906.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BILL RICHARDSON, June 24, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 29 AND MAY 3, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Marcy Kaptur	4/29	5/3	Mexico		166.50		<sup>3</sup> 1,837.00				2,003.50

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN APR. 29 AND MAY 3, 1993—Continued

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Helen Delich Bentley	5/1	5/3	Mexico		166.50		*733.00				899.50
Hon. Eva Clayton	5/1	5/3	Mexico		166.50						166.50
Hon. Leslie Byrne	4/29	5/3	Mexico		166.50						166.50
Hon. Nydia Velazquez	4/29	5/3	Mexico		166.50						166.50
Hon. Cardiss Collins	4/29	5/3	Mexico		166.50						166.50
Hon. Karan English	4/29	5/3	Mexico		166.50						166.50
Hon. Pat Danner	4/29	5/3	Mexico		166.50						166.50
Roberta Jeanquart	4/29	5/3	Mexico		166.50						166.50
Marc Hammerlund	4/29	5/3	Mexico		166.50						166.50
Patricia Wait	4/29	5/3	Mexico		166.50						166.50
Mimi McGee-O'Hara	4/29	5/3	Mexico		166.50						166.50
David Schooler	4/29	5/3	Mexico		166.50						166.50
Committee total					2,164.50		2,570.30				4,734.80

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Military air (delegation ground transportation).<sup>4</sup> One way commercial.

MARCY KAPTUR, June 3, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO PANAMA, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 9 AND MAY 12, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
N.H. Collins III	5/9	5/12	Panama		174.90						174.90
Sandea E. Latta	5/9	5/12	Panama		179.65						179.95
John Holloman	5/9	5/12	Panama		174.90						174.90
Committee total					529.45						529.45

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

N.H. COLLINS, June 17, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CZECH REPUBLIC AND SLOVAKIA, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 18 AND MAY 28, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Cathy Brickman	5/19	5/23	Czech Republic		1,400.00						1,400.00
	5/23	5/26	Slovakia								
			Commercial transportation				2,937.05				2,937.05
Henry (Bud) Collins	5/19	5/23	Czech Republic		1,400.00						1,400.00
	5/23	5/26	Slovakia								
			Commercial transportation				2,937.05				2,937.05
William Freeman	5/19	5/23	Czech Republic		1,400.00						1,400.00
	5/23	5/26	Slovakia								
			Commercial transportation				2,937.05				2,937.05
Committee total					4,200.00		8,811.15				13,011.15

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, July 19, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SOMALIA AND SWITZERLAND, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 28 AND JUNE 3, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Donald M. Payne	5/29	5/30	Kenya		200.00						200.00
	5/31	6/1	Kenya		200.00						200.00
Dorothy Jackson	5/29	5/30	Kenya		200.00						200.00
	5/31	6/1	Kenya		200.00						200.00
Richard Thigpen	5/29	5/30	Kenya		200.00						200.00
	5/31	6/1	Kenya		200.00						200.00
Frank Kuehn	5/29	5/30	Kenya		200.00						200.00
	5/31	6/1	Kenya		200.00						200.00
Donald M. Payne	6/1	6/3	Switzerland	200	140.20						280.40
Dorothy Jackson	6/1	6/3	Switzerland	200	140.20						280.40
Richard Thigpen	6/1	6/3	Switzerland	200	140.20						280.40
Frank Kuehn	6/1	6/3	Switzerland	200	140.20						280.40
Donald M. Payne	5/28	6/3	Kenya, Somalia, and Switzerland				7,517.45				7,517.45
Dorothy Jackson	5/28	6/3	Kenya, Somalia, and Switzerland				7,517.45				7,517.45
Richard Thigpen	5/28	6/3	Kenya, Somalia, and Switzerland				7,517.45				7,517.45
Frank Kuehn	5/28	6/3	Kenya, Somalia, and Switzerland				6,539.45				6,539.45

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO SOMALIA AND SWITZERLAND, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 28 AND JUNE 3, 1993—Continued

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Committee total					2,721.60		29,091.80				31,813.40

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DONALD M. PAYNE, July 15, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO VIETNAM, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 30 AND JUNE 3, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Lane Evans	5/30	5/31	Thailand		120.08		(?)				120.08
	5/31	6/1	Vietnam		70.89		(?)				70.89
	6/1	6/2	Hong Kong		166.64		(?)				166.64
Hon. Pete Peterson	5/30	5/31	Thailand		163.00		(?)				163.00
	5/31	6/1	Vietnam		142.00		(?)				142.00
	6/1	6/2	Hong Kong		243.00		(?)				243.00
Hon. Dana Rohrabacher	5/30	5/31	Thailand		150.00						150.00
	5/31	6/2	Vietnam		393.00		(?)				393.00
	6/2	6/3	Taiwan		70.00		2,514.45				2,584.45
Thomas A. O'Donnell	5/30	5/31	Thailand		148.35		(?)				148.35
	5/31	6/1	Vietnam		56.23		(?)				56.23
	6/1	6/2	Hong Kong		166.64		(?)				166.64
Suzanne F. Farmer	5/30	5/31	Thailand		163.00		(?)				163.00
	5/31	6/1	Vietnam		142.00		(?)				142.00
	6/1	6/2	Hong Kong		243.00						243.00
Paul Bearends	5/30	5/31	Thailand		315.86		(?)				315.86
	5/31	6/2	Vietnam		535.00		(?)				535.00
	6/2	6/3	Taiwan		70.00		4,124.45				1,316.45
Committee total					3,358.69		3,760.90				7,119.59

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Military.<sup>4</sup> Commercial one way.<sup>5</sup> Military one way.

LANE EVANS, June 29, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO ESTONIA, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN JUNE 1 AND JUNE 6, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
William Holmes Brown	6/2	6/6	Estonia		700.00						700.00
Commercial transportation							3,297.45				3,297.45
Kristi Walseth	6/2	6/5	Estonia		550.00						550.00
Commercial transportation							3,305.45				3,305.45
Committee total					1,250.00		6,602.90				7,852.90

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, July 1, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO IRELAND, NORTHERN IRELAND, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 31 AND JUNE 7, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Frank McCloskey	6/1	6/7	Ireland, North Ireland	906.37	1,368.00		3,005.45				4,373.45
Frederick Boucher	6/1	6/7	Ireland, North Ireland	906.37	1,368.00		3,005.45				4,373.45
Paul Weber	6/1	6/7	Ireland, North Ireland	906.37	1,368.00		3,005.45				4,373.45
Committee total					4,104.00		9,016.35				13,120.35

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FRANK McCLOSKEY, June 24, 1993.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO POLAND, FINLAND, AND ESTONIA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 14 AND JUNE 24, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Cathy Brickman .....	6/15	6/18	Poland .....		1,300.00						1,300.00
	6/18	6/20	Finland .....								
	6/20	6/24	Estonia .....								
Commercial air transportation .....							3,214.15				3,214.15
William Freeman .....	6/15	6/18	Poland .....		1,300.00						1,300.00
	6/18	6/20	Finland .....								
	6/20	6/24	Estonia .....								
Commercial air transportation .....							3,214.15				3,214.15
Committee total .....					2,600.00		6,428.30				9,028.30

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

KRISTI E. WALSETH, July 20, 1993.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, RONALD LASCH, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAY 4 AND MAY 7, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Ronald Lasch .....	5/4	5/7	Poland .....		406.00		2,871.15				3,277.15
Committee total .....					406.00		2,871.15				3,277.15

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RONALD LASCH, May 27, 1993.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, NANCY A. PANZKE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 11 AND JUNE 15, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Nancy A. Panzke .....	6/12	6/15	Poland .....		492.00		( <sup>3</sup> )				492.00
Committee total .....					492.00		( <sup>3</sup> )				492.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Via military aircraft.

NANCY A. PANZKE, July 13, 1993.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PETER ABBRUZZESE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 20 AND JUNE 24, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Peter Abbruzzese .....	6/20	6/23	Ukraine .....		576.00						576.00
	6/23	6/24	Germany .....		174.00						174.00
Commercial transportation .....							3,364.00				3,364.00
Committee total .....					750.00		3,364.00				4,114.00

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

PETER ABBRUZZESE, July 15, 1993.

## REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO 89TH INTERPARLIAMENTARY CONFERENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 8 AND APR. 17, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Barbara Rose Collins .....	4/10	4/16	India .....		1,140.00		7,407.45				8,547.45
Hon. Eni Faleomavaega .....	4/10	4/15	India .....		950.00		4,341.15				4,391.15
Michele Manatt .....	4/8	4/17	India .....		1,330.00		1,820.85				3,150.85
Elizabeth Bergere .....	4/8	4/17	India .....		1,330.00		1,820.85				3,150.85
Delegation expenses:											
Control room .....									1,063.72		1,063.72
Embassy personnel (American and FSN) and office supplies for control room .....									400.88		400.88
Committee total .....					4,750.00		14,490.30		1,464.60		20,704.90

<sup>1</sup> Per diem constitutes lodging and meals.<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.<sup>3</sup> Commercial—Washington/New Delhi/Detroit.<sup>4</sup> Commercial—Taiwan/New Delhi/Washington.<sup>5</sup> Commercial—Washington/New Delhi/Washington.

ENI FALEOMAVEGA, June 5, 1993.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORTH ATLANTIC ASSEMBLY, HOUSE OF REPRESENTATIVES, EXPENDED  
BETWEEN MAY 21 AND MAY 24, 1993

Name of Member or employee	Date		Country	Per diem <sup>1</sup>		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>	Foreign currency	U.S. dollar equivalent or U.S. currency <sup>2</sup>
Hon. Charlie Rose	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Ronald Coleman	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Cardiss Collins	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Tom Lewis	5/21	5/24	Germany		879.00		(2)				879.00
Hon. J. Alex McMillan	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Jan Meyers	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Marge Roukema	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Doug Bereuter	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Tom Bliley	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Jack Brooks	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Ralph Regula	5/21	5/23	Germany		586.00		1,624.43				2,210.43
Peter Abbruzzese	5/21	5/24	Germany		879.00		(2)				879.00
Hon. Gerald Solomon	5/21	5/24	Germany		879.00		(2)				879.00
Josephine Weber	5/21	5/24	Germany		879.00		1,624.43				2,503.43
Mike Ennis	5/21	5/24	Germany		879.00		(2)				879.00
Ron Lasch	5/21	5/24	Germany		879.00		1,624.43				2,503.43
Heidi Pender	5/21	5/24	Germany		879.00		(2)				879.00
Michael Poloyac	5/21	5/24	Germany		586.00		1,624.43				2,210.43
J. Walker Roberts	5/21	5/23	Germany		586.00		1,624.43				2,210.43
Robert Shea	5/21	5/24	Germany		879.00		(2)				879.00
Kurt Abendschein	5/21	5/24	Germany		879.00		(2)				879.00
Committee total					17,580.00		8,122.15				25,702.15

<sup>1</sup> Per diem constitutes lodging and meals.

<sup>2</sup> If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

<sup>3</sup> Military transportation.

CHARLIE ROSE, July 23, 1993.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1675. A letter from the President and Chairman, Export-Import Bank of the United States transmitting a report involving United States exports to India, pursuant to 12 U.S.C. 635(b)(3)(1); to the Committee on Banking, Finance and Urban Affairs.

1676. A letter from the Deputy Director, Defense Security Assistance Agency, transmitting notification of the Departments of the Navy's proposed Letter(s) of Offer and Acceptance [LOA] to the Coordination Council of North American Affairs for defense articles and services (Transmittal No. 93-25), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1677. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Air Force's proposed Letter(s) of Offer and Acceptance [LOA] to the Coordination Council of North American Affairs for defense articles and services (Transmittal No. 93-26), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1678. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by James T. Laney, of Georgia, to be Ambassador to the Republic of Korea and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1679. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the report of political contributions by Richard Holbrooke, of New York, to be Ambassador to the Federal Republic of Germany, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1680. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of

State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

1681. A letter from the Acting General Counsel, U.S. Arms Control and Disarmament Agency, transmitting the English language texts of eight threshold test ban treaty implementing agreements negotiated by the Bilateral Consultative Commission during its first four sessions; to the Committee on Foreign Affairs.

1682. A letter from the Chairman, Administrative Conference of the United States, transmitting for consideration a proposal to amend the Administrative Conference Act; to the Committee on the Judiciary.

1683. A letter from the National Commission on Judicial Discipline and Removal, transmitting the findings and conclusions of the Commission, pursuant to Public Law 101-650, section 415 (104 Stat. 5127; 106 Stat. 1118); to the Committee on the Judiciary.

1684. A letter from the Secretary of Transportation, transmitting a report on the surface transportation research and development plan, pursuant to Public Law 102-240, section 6009(b); to the Committee on Science, Space, and Technology.

1685. A letter from the Chairman, United States International Trade Commission, transmitting the 44th report for 1992 on the operation of trade agreements program, pursuant to 19 U.S.C. 2213(a); to the Committee on Ways and Means.

1686. A letter from the Chairman, U.S. International Trade Commission, transmitting its 74th quarterly report on trade between the United States and China, the successor States to the former Soviet Union, and other title IV countries during January-March 1993; to the Committee on Ways and Means.

1687. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a report describing efforts to encourage the Arab League countries to

abandon formally and renounce publicly their boycott policies, pursuant to Public Law 102-391, section 598(b)(2)(c); jointly, to the Committees on Foreign Affairs and Appropriations.

1688. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Hazardous Materials Transportation Act, and for other purposes; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

1689. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the principal financial statements of the U.S. Customs Service for 1992, pursuant to Public Law 101-576, section 304(a) (104 Stat. 2853); jointly, to the Committees on Ways and Means and Government Operations.

1690. A letter from the Comptroller General, General Accounting Office, transmitting the results of the audit of the principal financial statements of the Internal Revenue Service for 1992, pursuant to Public Law 101-576, section 304(a) (104 Stat. 2853); jointly, to the Committees on Ways and Means and Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STUDDS: Committee on Merchant Marine and Fisheries. H.R. 704. A bill to regulate fishing in certain waters of Alaska (Rept. 103-201, Pt. 1). Ordered to be printed.

Mr. STUDDS: Committee on Merchant Marine and Fisheries. H.R. 2134. A bill to improve the conservation and management of interjurisdictional fisheries along the Atlantic coast by providing for greater cooperation among the States in implementing conservation and management programs, and

for other purposes; with an amendment (Rept. 103-202). Referred to the Committee of the Whole House on the State of the Union.

Mr. STUDDS: Committee on Merchant Marine and Fisheries. H.R. 2495. A bill to direct the Secretary of the Interior to convey to the State of Ohio the Senecaville National Fish Hatchery (Rept. 103-203). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California. Committee on Natural Resources. H.R. 734. A bill to amend the act entitled "An act to provide for the extension of certain Federal benefits, services, and assistance to the Pascua Yaqui Indians of Arizona, and for other purposes" (Rept. 103-204). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California. Committee on Natural Resources. H.R. 1268. A bill to assist the development of tribal judicial systems, and for other purposes; with an amendment (Rept. 103-205). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 454. A bill to provide that a State court may not modify an order of another State court requiring the payment of child support unless the recipient of child support payments resides in the State in which the modification is sought, or consents to seeking the modification in such other State court; with an amendment (Rept. 103-206). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California. Committee on Natural Resources. S. 184. An act to provide for the exchange of certain lands within the State of Utah, and for other purposes; with amendments (Rept. 103-207). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan. Committee on Education and Labor. H.R. 2339. A bill to amend the Technology-Related Assistance for Individuals with Disabilities Act of 1988 to authorize appropriations for each of the fiscal years 1994 through 1998; with amendments (Rept. 103-208). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan. Committee on Education and Labor. H.R. 856. A bill to improve education in the United States by promoting excellence in research, development, and the dissemination of information; with an amendment (Rept. 103-209). Referred to the Committee of the Whole House on the State of the Union.

Mr. FAZIO: Committee of Conference. Conference report on H.R. 2348. A bill making appropriations for the legislative branch for the fiscal year ending September 30, 1994, and for other purposes (Rept. 103-210). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VALENTINE:

H.R. 2820. A bill to authorize appropriations for the Federal Aviation Administration for fiscal years 1994, 1995, and 1996 for research, engineering, and development to increase the efficiency and safety of air transport; to the Committee on Science, Space, and Technology.

By Mr. GILMAN:

H.R. 2821. A bill to suspend until January 1, 1997, the duty on Ethambutol hydrochloride; to the Committee on Ways and Means.

H.R. 2822. A bill to suspend until January 1, 1997, the duty on Tazobactam; to the Committee on Ways and Means.

H.R. 2823. A bill to suspend until January 1, 1997, the duty on Leucovorin calcium powder; to the Committee on Ways and Means.

By Mr. BLILEY:

H.R. 2824. A bill to modify the project for flood control, James River Basin, Richmond, VA; to the Committee on Public Works and Transportation.

By Mr. CONYERS:

H.R. 2825. A bill to demonstrate the economy and efficiency of centralizing Federal job training programs; to the Committee on Education and Labor.

By Mr. ENGEL (for himself and Mr. PORTER)

H.R. 2826. A bill to provide for an investigation of the whereabouts of the United States citizens and others who have been missing from Cyprus since 1974; to the Committee on Foreign Affairs.

By Mr. HILLIARD:

H.R. 2827. A bill to amend the Appalachian Regional Development Act of 1965 to include in the definition of Appalachian region additional counties in the State of Alabama; to the Committee on Public Works and Transportation.

By Mr. INGLIS of South Carolina:

H.R. 2828. A bill to amend the Federal Campaign Act of 1971 to terminate political action committees in Federal office elections; to the Committee on House Administration.

By Mr. MILLER of California (for himself and Ms. SNOWE):

H.R. 2829. A bill to require employers to post, and to provide to employees individually, information relating to sexual harassment that violates title VII of the Civil Rights Act of 1964; and for other purposes; jointly, to the Committees on Education and Labor, Post Office and Civil Service, and House Administration.

By Ms. PELOSI (for herself, Mr. MINETA, Mr. BLACKWELL, and Mr. GUTIERREZ):

H.R. 2830. A bill to grant special immigrant status to immediate relatives of Filipino veterans of World War II, and for other purposes; to the Committee on the Judiciary.

By Ms. SCHENK:

H.R. 2831. A bill to establish the Office of Economic Conversion Information within the Department of Commerce, and for other purposes; jointly, to the Committees on Energy and Commerce and Armed Services.

By Ms. SHEPHERD (for herself, Mr. BROWN of Ohio, Mr. MILLER of California, Mrs. LOWEY, Mr. HUGHES, Mr. FROST, Mr. FILNER, Ms. NORTON, and Ms. ESHOO):

H.R. 2832. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to require clear and concise notification to participants and beneficiaries under a group health plan of the right of the employer to terminate such plan and to otherwise revise the type and amount of benefits provided thereunder, and to provide for civil enforcement of such requirement; to the Committee on Education and Labor.

By Mr. TOWNS:

H.R. 2833. A bill to require the Secretary of the Interior to conduct a survey and investigation of the site containing the graves of American Revolutionary War soldiers and sailors, located on a section of the Brooklyn Navy Yard in the city of New York; to the Committee on Natural Resources.

By Mr. CONYERS:

H. Con. Res. 130. Concurrent resolution expressing the sense of the Congress regarding

the formulation of an arms security policy for the United States; to the Committee on Foreign Affairs.

By Mr. DINGELL:

H. Res. 232. Resolution expressing the profound sorrow of the House of Representatives on the death of the Honorable Paul B. Henry, a Representative from the State of Michigan; considered and agreed to.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 54: Mr. ENGEL.  
H.R. 55: Mr. MARKEY, Mr. OLVER, and Mr. MORAN.

H.R. 94: Mr. SCHAEFER.  
H.R. 396: Mr. KIM.  
H.R. 559: Mr. DEUTSCH, Mr. WAXMAN, Mr. STUPAK, Mr. LEWIS of Georgia, and Mr. VALENTINE.

H.R. 560: Mr. BOEHLERT.  
H.R. 711: Mr. JOHNSTON of Florida.  
H.R. 741: Mrs. FOWLER.  
H.R. 966: Mr. KILDEE, Mr. REYNOLDS, and Mr. CLAY.

H.R. 1078: Mr. CANADY.  
H.R. 1080: Mr. GOODLATTE, Mr. JACOBS, and Mr. CANADY.

H.R. 1082: Mr. CANADY.  
H.R. 1083: Mr. GOODLATTE, Mr. JACOBS, and Mr. CANADY.

H.R. 1103: Mr. OBERSTAR.  
H.R. 1141: Mr. POMEROY, Mr. PACKARD, and Mr. GALLEGLY.

H.R. 1164: Mr. HORN, Mr. FRANK of Massachusetts, and Mr. FARR.  
H.R. 1181: Ms. SHEPHERD.

H.R. 1191: Mr. GOODLATTE.  
H.R. 1219: Mr. MANTON, Mr. HASTINGS, Mr. ZIMMER, and Mr. SERRANO.

H.R. 1314: Mr. CONYERS.  
H.R. 1332: Mr. BLILEY.  
H.R. 1493: Mr. OLVER.

H.R. 1534: Mr. WISE and Ms. BYRNE.  
H.R. 1583: Mr. SPRATT, Mr. EMERSON, Mr. GOSS, and Mr. APPLEGATE.

H.R. 1604: Mr. CASTLE.  
H.R. 1627: Mr. GUTIERREZ, Mr. COLLINS of Georgia, and Mr. DUNCAN.

H.R. 1687: Mr. SANDERS and Mr. PETERSON of Minnesota.

H.R. 1733: Mr. ENGEL.  
H.R. 1734: Mr. WYNN, Mr. WAXMAN, Mr. ENGEL, Ms. FURSE, and Mr. JOHNSTON of Florida.

H.R. 1738: Mr. MINETA.  
H.R. 1753: Mr. MEEHAN.  
H.R. 1755: Mr. MEEHAN.

H.R. 1786: Mr. WASHINGTON.  
H.R. 1796: Mr. ZELIFF, Mrs. VUCANOVICH, Mr. RAMSTAD, Mr. REED, Mr. PETERSON of Minnesota, Mr. RAVENEL, Mr. BILBRAY, Mr. ROGERS, and Mr. QUINN.

H.R. 1808: Mr. BERMAN, Mr. DELLUMS, Mr. BLACKWELL, Mr. FILNER, Ms. BYRNE, BRYANT, Mr. HUGHES, Mr. ACKERMAN, Mr. BONIOR, Mrs. COLLINS of Illinois, Mr. FROST, Mr. BEILSON, Mr. BILBRAY, Mr. BROWN of California, Mr. DE LUGO, Mr. FISH, Mr. EDWARDS of California, Mr. EVANS, Mr. FRANK of Massachusetts, Ms. KAPTUR, Mr. MARKEY, Mr. LEHMAN, Mr. MACHTEY, Mr. MINETA, Mrs. MORELLA, Mr. OWENS, Ms. PELOSI, Mr. SERRANO, Mrs. LOWEY, Mr. MILLER of California, Mr. MORAN, Mr. POSHARD, Mr. RAVENEL, Mr. OLVER, Ms. ROS-LEHTINEN, Mr. SYNAR, Mr. VENTO, Mr. WALSH, Mr. WAXMAN, Mr. WYDEN, Mrs. UNSOELD, and Ms. WATERS.

H.R. 1809: Mr. BERMAN, Mr. DELLUMS, Ms. SLAUGHTER, Mr. VENTO, Mr. FILNER, Mr.

HUGHES, Ms. BYRNE, Mr. BRYANT, Mr. FISH, Mr. ACKERMAN, Mr. BONIOR, Mr. BEILENSEN, Mr. BILBRAY, Mr. BROWN of California, Mr. DE LUGO, Mr. EDWARDS of California, Mr. EVANS, Mr. FRANK of Massachusetts, Ms. KAPTUR, Mr. MARKEY, Mr. LEHMAN, Mr. MACHTLEY, Mr. MINETA, Mrs. MORELLA, Mr. OWENS, Ms. PELOSI, Mr. SERRANO, Ms. LOWEY, Mr. LIPINSKI, Mr. MILLER of California, Mr. MORAN, Mr. POSHARD, Mr. RAVENEL, Ms. ROS-LEHTINEN, Mr. WALSH, Mr. WAXMAN, Mr. WYDEN, Mrs. UNSOELD, and Ms. WATERS.

H.R. 1810: Mr. SHAYS, Mr. BERMAN, Mr. DELLUMS, Mr. FISH, Mr. LIPINSKI, Mr. OLVER, Mr. FILNER, Mr. BRYANT, Mr. ROMERO-BARCELO, Mr. ACKERMAN, Mr. BONIOR, Mrs. COLLINS of Illinois, Mr. BEILENSEN, Mr. BILBRAY, Mr. BROWN of California, Ms. BYRNE, Mr. DE LUGO, Mr. HUGHES, Mr. EDWARDS of California, Mr. EVANS, Mr. FRANK of Massachusetts, Ms. KAPTUR, Mr. MARKEY, Mr. LEHMAN, Mr. MACHTLEY, Mr. MINETA, Mrs. MORELLA, Mr. OWENS, Ms. PELOSI, Mr. SERRANO, Ms. LOWEY, Mr. MILLER of California, Mr. MORAN, Mr. POSHARD, Mr. RAVENEL, Ms. ROS-LEHTINEN, Mr. VENTO, Mr. WALSH, Mr. WAXMAN, Mr. WYDEN, Mrs. UNSOELD, Ms. WATERS, and Mr. WYNN.

H.R. 1877: Mr. MCDERMOTT, Ms. MCKINNEY, and Mr. KLINK.

H.R. 1900: Mrs. SCHROEDER, Mr. PETERSON of Minnesota, Mr. ACKERMAN, Mr. COOPER, Miss COLLINS of Michigan, Mr. ENGLISH of Oklahoma, and Ms. BYRNE.

H.R. 1923: Mr. FROST.

H.R. 2088: Mr. BAKER of Louisiana, Mr. CAMP, Mr. EVANS, Mr. FIELDS of Texas, Mr. GOODLING, Mr. HASTERT, Mr. HAYES, Mr. HERGER, Mr. HOBSON, Mr. HOUGHTON, Mr. KLUG, Mr. McKEON, Mr. MCCOLLUM, Mr. ROBERTS, and Mr. ZELIFF.

H.R. 2121: Mr. CALVERT, Mr. SHAW, Mr. CASTLE, Mr. SMITH of Oregon, Mr. BONILLA, Mr. MARKEY, Ms. SCHENK, Mr. HUNTER, Mrs. MEYERS of Kansas, Mr. PORTER, Mrs. JOHNSON of Connecticut, Ms. LAMBERT, Mr. EDWARDS of Texas, Mr. NEAL of Massachusetts, Mr. QUILLLEN, Mr. KOLBE, Mr. FISH, Mr. BACHUS of Florida, Mr. THOMPSON, Mr. INGLIS of South Carolina, Mr. BLILEY, Mr. TANNER, and Mr. CRAPO.

H.R. 2151: Mr. HAMBURG, Mr. BORSKI, Mr. SOLOMON, Mr. ANDREWS of New Jersey, Mr. MCCLOSKEY, and Mr. HOYER.

H.R. 2253: Mr. GINGRICH.

H.R. 2276: Mr. GUTIERREZ.

H.R. 2292: Mr. ROWLAND, Mr. MORAN, Mr. KINGSTON, and Mr. WELDON.

H.R. 2350: Ms. ROYBAL-ALLARD, Mr. FILNER, and Mr. HASTINGS.

H.R. 2370: Mr. HASTINGS.

H.R. 2417: Mr. WILLIAMS and Mr. TAYLOR of North Carolina.

H.R. 2434: Mr. ROYCE.

H.R. 2447: Mr. EVANS, Mr. COPPERSMITH, Mr. WILSON, and Mrs. UNSOELD.

H.R. 2500: Mr. BOUCHER.

H.R. 2547: Mr. GILCHREST and Mr. FILNER.

H.R. 2597: Mr. EVANS.

H.R. 2602: Mr. BAKER of Louisiana.

H.R. 2640: Mrs. CLAYTON.

H.R. 2655: Mr. MINGE.

H.R. 2668: Mr. KLEIN.

H.R. 2684: Mr. LAUGHLIN, Mr. CASTLE, Mr. BATEMAN, and Ms. ESHOO.

H.R. 2735: Mr. MANN, Mr. GUTIERREZ, and Mr. MAZZOLI.

H.R. 2741: Mr. GALLO, Mr. HOCHBRUECKNER, Mr. WALSH, and Mr. KLEIN.

H.R. 2786: Mr. SMITH of New Jersey and Mr. HYDE.

H.J. Res. 86: Mr. SCOTT, Ms. VELAZQUEZ, Mr. QUINN, Ms. MOLINARI, Mr. RAMSTAD, Mr. ACKERMAN, Mr. STOKES, Mr. HAYES, and Mr. OXLEY.

H.J. Res. 106: Mr. BARTLETT of Maryland and Mr. BEILENSEN.

H.J. Res. 129: Mr. GOODLATTE.

H.J. Res. 145: Mr. LIPINSKI, Mr. HUNTER, Mr. SAXTON, Mr. REGULA, Mr. PORTER, and Mr. FAWELL.

H.J. Res. 155: Mr. LEVIN, Mr. TORRICELLI, Mr. PETERSON of Florida, Ms. KAPTUR, Mr. SAWYER, Mr. GREENWOOD, Mr. HASTINGS, Mr. RAVENEL, Mr. BARCA of Wisconsin, Mrs. VUCANOVICH, Mr. APPELGATE, Mr. FAZIO, Mr. KLECZKA, Mr. RANGEL, Mr. BREWSTER, Ms. MOLINARI, Mr. HANSEN, Mr. HUTTO, Mr. SMITH of SKEEN, Mr. CALLAHAN, Mr. CONYERS, Mr. DE LUGO, Mr. STOKES, Mr. CLEMENT, Mr. MINETA, Mr. DE LA GARZA, Mr. CAMP, Mr. NATCHER, Mr. DEFAZIO, Mr. SPENCE, Mrs. MORELLA, Mr. HYDE, and Mr. NEAL of North Carolina.

H.J. Res. 157: Mr. HAMILTON, Mr. ORTIZ, Mr. RANGEL, Mr. MURPHY, Mr. SWETT, Mr. FARR, and Mr. BROWN of Ohio.

H.J. Res. 185: Ms. DANNER, Mr. DEFAZIO, Mr. FRANKS of Connecticut, Mr. HAMBURG, Mr. HAMILTON, Mr. MATSUI, Mr. NATCHER, Mr. POSHARD, Mr. VOLKMER, Ms. WOOLSEY, and Mr. YATES.

H.J. Res. 202: Ms. ESHOO.

H.J. Res. 245: Mr. THOMAS of Wyoming, Mr. KNOLLENBERG, Mr. CONDIT, Mr. STEARNS, Mr. DICKEY, Mr. BALLENGER, and Mr. CAMP.

H. Con. Res. 73: Mr. HINCHEY.

H. Con. Res. 109: Mr. WYNN, Mr. GILCHREST, Mr. COOPER, Mr. SKEEN, Mr. FAZIO, Mrs. VUCANOVICH, Mr. SANDERS, Mr. BILBRAY, Mr. HOUGHTON, Mr. ORTON, Mr. BARCIA of Michigan, Mrs. BENTLEY, Mr. BROWDER, Mr. SAWYER, Mr. SABO, Mr. KINGSTON, Mr. BILIRAKIS, Mr. HEFLEY, Mr. FORD of Michigan, Mr. BOEHLERT, Mr. MOAKLEY, Mr. ZIMMER, Mr. GALLO, Mr. SHARP, Mr. VALENTINE, Mr. HANSEN, Mr. KREIDLER, and Mr. GEPHARDT.

H. Con. Res. 118: Mr. UPTON.

H. Con. Res. 121: Mr. HORN and Mr. GENE GREEN of Texas.

H. Res. 174: Mr. GOODLATTE and Mr. GILLMOR.

H. Res. 175: Mr. MICHEL.

## AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2330

By Mr. GOSS:

—Page 30, after line 3, add the following:

**SEC. 306. DISCLOSURE OF CLASSIFIED INFORMATION BY MEMBERS OF CONGRESS.**

During the fiscal year 1994, no element of the United States Government for which funds are authorized in this Act may provide any classified information concerning or derived from the intelligence or intelligence related activities of any such element to a Member of the House of Representatives unless and until a copy of the following oath of secrecy has been signed by that Member and has been published in the Congressional Record:

"I do solemnly swear that I will not willfully directly or indirectly disclose to any unauthorized person any classified information received from any department of the Government funded in the Intelligence Authorization Act for Fiscal Year 1994 in the course of my duties as a Member of the United States House of Representatives, except pursuant to the Rules and Procedures of the House."